Daily Report

Latin America

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Reaction to GATT Banana Ruling

PA2101205194

[Editorial Report] The following is a compilation of reports on regional reaction to the GATT ruling on restrictions imposed on Latin American banana exports by the EC monitored through 20 January. Source is cited in parentheses following each item.

COSTA RICA

Costa Rica today applauded the GATT ruling through Economy Minister Roberto Rojas who described the GATT ruling as a "great triumph for the region" He also voiced hopes that the ruling "will convince the EC to modify the import regime imposed since 1 July" on Latin American bananas. Rojas added that Costa Rica has been in the vanguard in the struggle against restrictions to the banana market and will continue "to struggle." He, however, admitted that this struggle will be "as difficult as the one waged so far." The minister pointed out that he will work with his trading partners within GATT to achieve this goal. (Hamburg DPA in Spanish 2046 GMT 18 Jan 94)

The representatives of the National Chamber of Agriculture and Agro-Industry have termed the GATT ruling as important and historic. Executive Director Jose Carlos Barquero said this confirms it is possible to resort to this mechanism to settle international trade problems without undue influence from the political weight of the countries involved. He added that "because of this ruling, minority groups will have an appropriate base to face conflicts that affect them and involve powerful nations." (San Jose Radio Reloj in Spanish 1730 GMT 20 Jan 94)

ECUADOR

Diego Paredes, Jose Vicente Maldonado, and Mariano Gonzalez, the Ecuadoran ministers of foreign affairs; industry, commerce, integration and fisheries; and agriculture, respectively, during a news conference urged Latin American banana-exporting nations to "rebuild their damaged regional union in order to conduct negotiations as a bloc against the banana export quota system that has been in effect since July in the European Union (EU)." Latin America has been divided over a EU proposal to increase Latin American imports from 2.0 million to 2.1 million tons in 1994 in exchange for the region's withdrawal of its complaint to GATT on the EU quota system. Colombia and Costa Rica, with the support of Nicaragua and Venezuela negotiated the withdrawal of the complaint in exchange for a more favorable distribution of the European quotas, but the opposition of Ecuador, Guatemala, Panama, and Honduras prevailed in the end because on 18 January the GATT rejected the EU restrictions on banana imports to favor banana producers in Europe and its former colonies.

Jose Riofrio, head of the Ecuadoran National Banana Program, characterized the EU proposal as a "scandalous bribe" and described the Costa Rican and Colombian Governments as "disloyal." Agriculture Minister Gonzalez announced that the Union of Banana Exporting Countries, UPEB, will hold a meeting on 24 January in Guatemala to "examine the GATT panel's conclusions," which he described as "positive for Latin America." (Madrid EFE in Spanish 0722 GMT 19 Jan 94)

Ecuadoran banana producers today accused the government of tolerating injustices because the country is not a member of GATT and other countries are representing its interests in the negotiations that are under way to counteract European protectionism. Ecuadoran Banana producers have proposed a change of foreign policy aimed at fostering rapprochement with the EU and to end the problem of foreign representation. Nicolas Castro, a leader for the producers, criticized the EU for its continued assignment of quotas despite the GATT rejection of its protectionist policies. Segundo Wong, representative of one of Ecuador's largest banana exporting companies, said the country "should intensify negotiations with the EU and exhaust every alternative for an agreement." Wong added that Ecuador should "aggressively" seek new markets worldwide, including European banana producing countries like France, Spain, and Portugal. The Ecuadoran Government on 18 January rejected the EU banana trade plan. (Mexico City NOTIMEX in Spanish 0148 GMT 19 Jan 94)

GUATEMALA

Guatemalan Deputy Foreign Minister Salvador Cohen warned today that the EU might disregard the GATT decision against its Latin American banana import quota system, which violates free trade. Cohen reiterated that Guatemala, the only Central American member of GATT, is pleased with the decision, but he admitted that "many GATT panel decisions have been disregarded." Meanwhile, Guatemalan Deputy Economy Minister Guillermo Rodriguez said that "Guatemala will not accept any measure that restricts free trade." (Mexico City NOTIMEX in Spanish 2119 GMT 19 Jan 94)

The Guatemalan Foreign trade Ministry has announced that the GATT on 18 January "flatly and categorically condemned the banana import system implemented by the European countries since July 1993." The ministry added that the system is discriminatory and cannot be safeguarded by the Lome Convention, adding that the GATT decision constitutes a "huge success" because it is very difficult for a small country like Guatemala to fight against a group of developed countries. (Guatemala City PRENSA LIBRE in Spanish 19 Jan 94 p 8)

HONDURAS

Honduran Economy Minister Carlos Chain described the GATT decision against the EU restrictions on Latin American bananas as a "success for all the countries in the region." He added that "the struggle will be difficult but the region will be in a better position to negotiate." Chain said: "Now the Europeans will have to approach

us for negotiations and we will be in an excellent position." (Mexico City NOTIMEX in Spanish 0146 GMT 19 Jan 94)

President Callejas said the GATT decision to condemn the EU banana import system constitutes a victory for Latin American unity. He added that the Honduran people are quite flattered by the decision because "its represents a promising situation for the nation's banana industry." Callejas regretted the loss of banana plantations to floods and hurricanes last year, but said the GATT decision creates hope for the banana industry. (Tegucigalpa EL PERIODICO in Spanish 20 Jan 94 p 10)

NICARAGUA

Nicaragua has expressed satisfaction over the GATT decision against the EU banana import system. Foreign Trade Director Oscar Aleman said "Nicaragua will struggle for the GATT council to adopt the panel decisions, which constitute a very important step toward the solution of the trade conflict." (Paris AFP in Spanish 2352 19 Jan 94)

PANAMA

UPEB Director Enrique Betancur has confirmed that on 24 January this organization will hold a meeting in Guatemala to decide on a common position against European "injustices" in the area of banana imports. The meeting will seek to design a strategy for Latin American banana exporters in light of the GATT decision in favor of their complaint against the EU. (Panama City ACAN in Spanish 1703 GMT 19 Jan 94)

Latin American banana-producing countries are celebrating the GATT decision in favor of the complaint they filed against the EU. Colombian Foreign Minister Nohemi Sanin, who was on an official trip to Panama when the news came, declined to comment before talking with Colombian President Cesar Gaviria. However, Panamanian President Guillermo Endara expressed great satisfaction, adding: "I knew we were right but I did not expect such a categorical decision." (Panama City ACAN in Spanish 1214 19 Jan 94)

Cuba

Minister Sees No Short-Term Relief to Shortages

FL2401192994 Havana Radio Rebelde Network in Spanish 1800 GMT 24 Jan 94

[Text] A redesigned light industry pavilion has been inaugurated at Expocuba. Light Industry Minister Eduardo Fernandez Boada was present at the inauguration and was interviewed by reporter Guillermo Bernal:

[Begin recording] [Bernal] The pavilion we have just inaugurated contains an extensive exhibit of Cuban products. However, I am concerned about the people's perception that, although the exhibit stresses production capabilities, what is displayed here is not available in stores nationwide.

[Fernandez] The goal of the exhibit is to show what Cuba is capable of producing, not what is produced to fill store shelves. To produce these items for nationwide public consumption, we would need not to be in a special period: We would have to have hundreds of millions of dollars we do not have. However, it is important for everyone to know that the Revolution has created these capabilities in Cuba. In the future, the preservation and even the development of this production capability—I am convinced of this, whenever we have the possibility—will allow us to supply these items to the people. We should not be depressed that we cannot have these things in the stores today. It would be sad to have lost our capability to do this, to have to import even chairs or pants.

[Bernal] Light industry is close to the Cuban family with such products as soaps, detergents, and tooth paste. What is the situation with these products?

[Fernandez] The goal is to try to allocate more to these than last year to ameliorate the problem somewhat. Personally, I believe that the problem of systematically and adequately providing these items cannot be solved in the short term, because tens of millions of dollars are needed and they are just not there. Now, there is a will, a commitment. We have preserved the production capabilities to try to alleviate the highly distressing shortage of these products. We are aware of this. We may experience a slight improvement in comparison with 1993. [end recording]

Editorial on Economic Adjustments, Workers' Role

PA1801220694 Havana Radio Havana Cuba in Spanish 0000 GMT 18 Jan 94

[From the "Evening Information Review" newscast]

[Text] The Cuban newspaper TRABAJADORES today said in an editorial that the key goal of our economy is to be as efficient as possible and that the most reasonable way to achieve this is by reducing costs, increasing productivity, and making the best use of the raw materials available to us.

In touching on the process of debates now under way in Cuba, TRABAJADORES said the basic objective is assessing the economic and financial conditions at each working center to evaluate the country's economic situation and the effects of financial imbalance in the economy.

The editorial stressed that with the authority they have earned by staying in their jobs, workers, today more than ever, are demanding high standards of labor discipline, because what is at stake is the defense of the genuine interests of workers, peasants, and students.

The editorial said that Cuban workers are concerned and reject the intolerable presence of crime, its ties to the black market, and its incidence in social and labor discipline, and the editorial demanded from the authorities the implementation of drastic and exemplary measures at all levels. It added that reality has forced us to make economic adjustments, which we will model after a socialist and Cuban pattern, using democratic formulas that are really unthinkable within other societies.

Camaguey Electric Plant To Undergo 'Extensive' Maintenance

FL2201004394 Havana Cuba Vision Network in Spanish 2320 GMT 21 Jan 94

[Text] Beginning this weekend in Camaguey, the workers of the 10 de Octubre Electric Plant will conduct an extensive industrial maintenance program to restore generation levels. The first phase of maintenance of the plant in Nuevitas will be conducted on unit No. 5, mainly in order to increase boiler efficiency. The workers at the plant, Cuba's second in generating capacity, plan to complete partial maintenance of the fifth of its six generating units in less than 25 days. Workers are preparing with minimum resources to begin an uninterrupted 24-hour schedule in what has already been described as a feat of labor. Engineer Mario Mederos, director, stressed that this experience will make it possible later to perform complex maintenance on unit No. 6, which also produces 125 megawatts per hour.

The recent workers parliament meeting in the plant prompted an analysis of measures to reduce absenteeism, increase technological discipline, and promote individual incentives for work results.

Matanzas Education Sector To Undergo Streamlining

FL2201012494 Havana Cuba Vision Network in Spanish 2320 GMT 21 Jan 94

[Text] Beginning in February, education workers in Matanzas Province will analyze at the base level the need for rational exploitation of the work force in this sector and will advocate higher efficiency for teachers as well as nonteaching personnel. Without implying a reduction in educational budgets, workers are seeking solutions that

would allow consolidation of classes in several schools, establish multidisciplinary principles, and fill the entire teaching and work schedule of the personnel. This will undoubtedly result in the elimination of a number of positions. However, according to preliminary analyses, only 2,500 workers out of 22,000 will lose their posts. These workers will take retraining courses, sabbaticals, or other forms of education, including informal education alternatives, to maintain their ties with the education sector even if they end up working in a sector such as the minibrigades.

Ninety-eight percent of the children in Matanzas are enrolled in school, with one teacher for every 14 students in all grades and subjects. Highly developed countries have one teacher per 30 or more students. The state budget for education for 1994 is 75 million pesos; in the decade of the eighties, it reached 82 million pesos, proving that education is a priority despite difficulties.

Commentary on State Enterprises, Subsidies

PA2201185094 Havana Radio Havana Cuba in Spanish 0000 GMT 22 Jan 94

[Commentary by Roberto Morejon; from "The Seven O'Clock News" newscast]

[Text] At the assemblies convoked by Cuban labor unions due to the need to reorder financially the country and to increase efficiency, workers have insisted on the need to unearth the causes of the insensibility of a group of enterprises.

During the regular period of sessions of the National Assembly of the People's Government, it was established that only 31 percent of Cuban state enterprises are profitable and that subsidies totaled 4.6 billion pesos—that is, 73 percent more than in 1989—during 1993.

Despite the fact that external factors are negatively affecting the island, it is a fact that efficiency must increase at all levels, and financial discipline must improve.

The subsidies to which some unprofitable enterprises became accustomed have an unfavorable effect on labor productivity and labor discipline [words indistinct], because in Cuba there is a very flexible labor legislation that does not contemplate different remunerations concerning each individual's contribution for a same profession. Things will change this year, at least as far as subsidies are concerned, if we observe the statements made by Finance Minister Jose Luis Rodriguez, who explained recently that to grant subsidies, the financial situation of organizations and enterprises will be examined. The entities showing deficits will be forced more than ever to collect their accounts receivable, prior to requesting subsidies from the state budget.

Up until last September the business sector had 2.8 billion pesos in accounts receivable, a factor that results in difficulties and the ensuing diversion of resources. Authorities and Cuban unions are certain the irregularities in the collections and payments [words indistinct] enterprises generate discipline and [words indistinct]. As part of the people's democracy inherent to the indigenous social product, the unions will decide once more, however, [words indistinct] this time, it consists of overseeing in situ how the payments imbalance among enterprises are resolved.

Cuban workers [words indistinct] the battle of all society to reduce and eradicate unprofitability of a group of entities [words indistinct].

Armed Forces Researchers Develop Alternate Cooking Fuel

FL2401025294 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 24 Jan 94

[Text] In Cuba, approximately 30 percent of the fuel used for cooking is kerosene. It is estimated that there are approximately 3 million kerosene stoves in [word indistinct]. In 1993 the consumption plan was for 464,000 tons of kerosene which amounts to $90 million on the world market, where this fuel is no longer sold.

Cuba cannot produce this fuel, so how do we solve this dilemma? The Ministry of the Revolutionary Armed Forces's center for fuel development and research determined that a kerosene-diesel mixture was an answer for domestic kitchens. This became one of the outstanding projects of the Eighth Forum of Science and Technology.

After several trials, researchers concluded that the most feasible solution was (Jet A-1 turbo) fuel, a refined kerosene used in aviation. The average cost of (Jet A-1) fuel is $205 per ton, which exceeds that of standard kerosene. To overcome this problem the refined kerosene is mixed with diesel fuel, which is much cheaper. The researchers took steps so that the mixture would not damage the stoves [words indistinct] and would have acceptable thermal safety and efficiency. They decided on a ratio of 30 percent diesel and 70 percent of kerosene, which will allow an annual savings of $3 million, equivalent to 20,000 tons more fuel for domestic use—the amount that the population of Havana City consumes in three months.

The first tests of this research were carried out in 50 homes with a 90-percent acceptance rate. According to Lieutenant Colonel Eduardo Perez Pena, more tests are taking place in a municipality of Havana City. The fuel should be available throughout the country by May.

TRABAJADORES on Need To Improve Efficiency

FL2401141794 Havana Radio Rebelde Network in Spanish 1255 GMT 24 Jan 94

[Text] A 24 January editorial in the weekly newspaper TRABAJADORES stresses that every work center must draft measures to improve efficiency. The management of each work center must prepare a detailed economic

analysis including specific proposals to improve operations. This analysis must be exact rather than saturated with unintelligible lingo masking the essential points. It is possible that not all centers have an accounting system that makes an in- depth economic analysis possible. The first measure to take in these centers is precisely the creation of such a tool listing the main expenses incurred per peso of goods produced.

Apart from the current difficulties, untracked expenses are due to disorder in place of order, confusion in place of discipline, indolence in place of rigor. Thence, the prime importance of discussing in the Parliament in the Workplace meetings the center's own operations and specific, feasible measures to increase efficiency. If a step forward is taken in every workplace, much can be gained by simply adding the effect of many positive steps. The TRABAJADORES editorial adds that we will see then the results of the general measures being taken nationwide, which can be truly effective only through the efforts of the individual workplaces.

PCC Municipal Leader Announces Economic Plan

FL2401224894 Havana Radio Reloj Network in Spanish 2032 GMT 24 Jan 94

[Text] (Andres E. Rivero), first secretary of the Communist Party of Cuba [PCC] in San Nicolas Municipality, Havana Province, has announced that the PCC will pay special attention to economic efficiency in all sectors this year, principally in the production sector. (Rivero) said that in San Nicolas, like everywhere else in Cuba, economic problems are being discussed at the work centers and analyses are being conducted on ways to reduce subsidies to the management and budgetary systems, while producing more with the available raw materials.

The PCC municipal leader stressed that the PCC's attention in the province is focused on increasing cane production by 20,000 arrobas per caballeria in the 1994-95 harvest. He said they also aim to continue the tasks of defense and recovery in cattle-raising, as well as the fuel conservation policy.

Roundup of Economic Activity Reported 15 to 21 Jan

FL2101221694

[Editorial Report] The following is a compilation of fileworthy reports on economic developments in Cuba carried on Havana radio and television in Spanish between 15 and 21 January.

Radio Rebelde at 1000 GMT on 15 January reports that a research biochemist at the institute for citrus and other fruit crops recently won an award from the Ministry of Agriculture for obtaining a set of reagents and a blend for the development of a reaction, the purpose of which is to diagnose quickly and with 96-percent effectiveness the tree virus called "the virus of sadness" [el virus de la tristeza] which causes great damage to citrus crops worldwide. "The Cuban reagent is obtained from the blood plasma of previously immunized laboratory animals. The monoclonal antibody is capable of recognizing this tree virus before symptoms are present. This allows one to determine, after a sampling, the rate of incidence of the disease and fight it effectively and more cheaply. A reagent for the same purpose imported from Spain used to cost Cuba $2,000 per milligram. Our product has a production cost of $45. The market is being studied with a view to marketing the product for between $800 and $1,200 per milligram."

Radio Progreso at 1200 GMT on 17 January reports that in 1993 the Heroes of Playa Giron Contingent, part of the Union of Caribbean Construction Enterprises in Varadero, produced 50 million pesos in tourist works despite a 35-percent drop in available material resources and electricity. The contingent is currently completing the Gaviota Cuatro Hotel.

Radio Rebelde at 1800 on 17 January reports that the Pinar del Rio Provincial Assembly has approved its 1994 budget of 198 million pesos, to which Pinar del Rio Province contributes 82.7 million. The state must contribute the remaining 115.1 million, which is approximately 30 percent less than its contribution in 1993.

Radio Rebelde at 1800 GMT on 18 January reports that the 60th Anniversary of the October Revolution Enterprise in Holguin has completed the first ten Cubar-90 rice combines, part of the 60 promised for delivery by July. The report adds that it costs $90,000 to build each of these machines and that they represent a savings of $900,000 for Cuba. Plant workers also plan to rebuild 120 KTP-2 sugarcane combines, according to a Radio Rebelde report at 0000 GMT on 20 January.

Radio Reloj at 2046 GMT on 19 January reports that the Mexican Government has donated 3 million notebooks to Cuban school children.

Radio Reloj at 2054 GMT on 19 January reports that Camaguey's Venus Beauty Institute in Camaguey offers beauty services to local and visiting women. The Venus Beauty Center also has a cafeteria and a well-stocked store that sells imported goods, which is "attended by competent workers who take in some $1,000 daily." Reloj adds: "Appointments for services can be made for the same day or for six months later. Charges are based on incentive; after paying the state tax of 30,000 pesos, the rest is profit."

Cuba Vision Network at 2320 GMT on 19 January reports that the Isle of Youth Citrus enterprise has developed a product called (perquina), a chemical frequently used in the food industry. The product, produced from citrus plant wastes, should save the country considerable money.

Radio Reloj at 1500 GMT on 20 January reports that workers of the Victoria de Giron Citrus enterprise have

harvested 1 million quintals of citrus fruit in the campaign which began in August 1993.

Radio Rebelde at 1800 GMT on 20 January reports the following:

More than 10,000 people in rural areas of Granma Province will benefit from a joint Cuba-UNICEF project to improve water management systems in rural areas. The project is part of the national action program approved by the Cuban Government in 1991 to fulfill the agreement signed at the World Summit for Children held in 1990.

Unit No. 5 of the 10 October generating plant in Nuevitas, Camaguey, will begin its maintenance program on 24 January. The improvements should increase output to more than 400 megawatts per hour by 1995.

Under a biodiversity protection agreement, the UN Development Program granted Cuba $2 million, of the $10 million contributed by the United Nations, for the purchase of microcomputers and advanced technology for use at the environmental protection center in Ciego de Avila Province.

Radio Progreso at 1200 GMT on 21 January reports the members of the 1,553 sugar Basic Cooperative Production Units, independent farmers, sugar cooperatives, and the Youth Labor Army will work together this year to plant more that 30,000 caballerias of sugarcane throughout the country. An effort will be made between January and April to plant 5,000 caballerias of sugarcane.

Radio Reloj at 2045 GMT on 21 January reports that Ecuadoran physician Jose Galindo has sent Cuba a personal donation of over $20,000 worth of medicines, hospital instruments, and similar products. "The physician will be participating in the fourth continental Latin American and Caribbean forum for solidarity and sovereignty for our peoples, which begins on 25 January."

Radio Reloj at 2059 GMT on 21 January notes that a meeting of agricultural sector union leaders in Havana Province has reported that cold-season tuber and vegetable planting is virtually up to date, with close to 1,600 caballerias planted as of 20 January. Sector workers have promised to plant the remaining 500 caballerias in the plan by 28 February. It was reported that 463 caballerias have been planted in potatoes, 2 more than scheduled.

Commentary Examines Dynamics of U.S. Presidency

FL1901181294 Havana Radio Rebelde Network in Spanish 1255 GMT 19 Jan 94

["Our Opinion" commentary by Eduardo Dimas]

[Text] Frankly, even though many U.S. politicians would like to become president of the United States, it must not be a very easy job to carry out for four or eight years, according to one's charisma and luck. A Yankee president must make everyone happy. He must benefit the strong, and obtain the votes of the weak; make concessions to senators and representatives who defend opposing interests; always smile and give a good image of a democratic man, which in many cases has nothing to do with his political ideas. He must also adapt himself to the workings of Washington, which has more than 200 years of experience and tradition.

That situation explains why almost all U.S. presidents have more success with foreign affairs than with domestic policies. When they do not achieve even that, they are practically banished, as in the case of Jimmy Carter, who is not even invited to speak at Democratic Party conventions.

Another thing that could happen is what happened to George Bush. Bush harvested victories in foreign policies, many of which were not directly his own. We could mention the collapse of the socialist bloc, the Panama invasion, the Gulf War, et cetera, but despite all that, he was not reelected in the 1992 elections. The domestic economy played a dirty trick on him: The country entered a recession and he lost. An almost unknown Democratic governor from Arkansas named William Clinton took the White House, which he has now occupied for approximately a year.

Clinton has not been the exception, and during his first year in office, achieved more success with foreign affairs than with domestic policies. This is logical: The challenges that any U.S. president today faces are greater inside the country than abroad. On the foreign plane, Clinton has achieved the Israeli-Palestinian peace treaty; ratification of the Free Trade agreement; a favorable solution for the United States in the Uruguay Round's General Accord on Tariffs and Trade [GATT]; and, just recently, was able to get NATO to accept and control the former members of the Warsaw Pact; the Ukraine to commit itself to eliminating its nuclear weapons; Belarus to continue in that process; and Syria agree to negotiate an effective peace agreement with Israel.

All these achievements indicate a strong foreign policy that benefits U.S. interests and Clinton's image. Nevertheless, his popularity rating is very low. Could it be that the U.S. people today realize that very few dare to contradict the wishes of the empire and that the victories are really not so numerous as they would like them to believe.

Clinton has acquired a budget from Congress that could probably allow him to reduce the deficit with time, but he did not obtain the $16 billion for the creation of new jobs at a moment when there were more than 10 million people unemployed and the economy barely showing symptoms of recovery. To obtain approval for the North American Free Trade Agreement with Mexico and Canada, Clinton had to make concessions to several senators and representatives. It is yet to be seen if he will obtain the approval needed for his health care plan.

What is even more important is for Clinton to take the first steps toward revitalizing the U.S. economy, which is in need of structural change.

Personally, I wish no evil to President Clinton. He does not seem to be a bad person, but as with every U.S. president, he must play the game that the imperial "establishment" imposes, whether he likes it or not. Clinton has not been the exception. It appears from its attempts to discredit him, creating problems by accusing him of being unfaithful to his wife and of shady business deals in Arkansas, that the extreme right fears him.

His first year in office has therefore concluded with some glories and some sorrows. So far, he has proven to be a capable man within the system. What he does from this point on will influence his chances for reelection in 1996. Only time will tell.

U.S.-Cuban Educators Meeting Begins in Havana

FL2501020994 Havana Cuba Vision Network in Spanish 2320 GMT 24 Jan 94

[Text] The first meeting of Cuban and U.S. educators has begun. The meeting is being held to discuss quality of teaching. Among the objectives of the meeting is to study comparative education in greater depth and to promote future exchanges of research and bibliographical information.

This is the first meeting of its kind to be organized in our country, having as its forerunners the Conference on Education in Cuba, held in Boston in 1981; and the 36th Annual Conference of the International Comparative Education Society, held in Maryland in March of 1962.

Vice President Lage To Visit Brazil 2 Feb

PA2301183794 Havana Radio Havana Cuba in Spanish 0000 GMT 23 Jan 94

[From the "Evening Information Review" newscast]

[Text] Cuban Vice President Carlos Lage will visit Brazil from 2 to 7 February to strengthen relations between Cuba and the South American country.

Lage, who will visit Brasilia, Rio de Janeiro, and Sao Paulo, will be received by President Itamar Franco and will hold meetings with the Brazilian ministers of health, foreign policy, and finance. He will also meet with Brazilian businessmen, including the head of the Souza-Cruz Commission, to analyze the possibility of establishing joint investments in the tobacco sector.

Alarcon Meets European Parliamentarians in Brussels

FL2501023994 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 25 Jan 94

[Text] Ricardo Alarcon, president of the Cuban parliament, is on a visit to Brussels, capital of Belgium, with the objective of developing Cuba's relations with the members of the European and Belgian parliaments.

During his first day, Alarcon today met with the chairman of the Foreign Relations Committee of the European Parliament, the president of the European people's party [del partido popular europeo], and the president of the Belgian Senate. The main subject discussed was the reincorporation of Cuba into the world economy, particularly with regard to relations with Europe.

In the coming days, the president of the (?Cuban) assembly [words indistinct] with other European parliamentarians and with leaders of Belgian organizations and political parties.

Robaina Interviewed Upon Return from Africa

FL2501032794 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 25 Jan 94

[Passages within quotation marks recorded]

[Text] Cuba and Africa are united not only by historical traditions—the peoples of Africa have always supported the Cuban Revolution in the international arena—said Cuban Foreign Minster Roberto Robaina upon concluding his tour through five African countries. Upon arrival in Havana, Robaina gave this newscast an exclusive interview.

[Begin Robaina recording] I think that a meeting with—as we said several times during the tour—that Africa which is ours because of that part of us that is also in Africa [con esa Africa nuestra por lo que de nuestro tambien hay en Africa], has, indisputably it seems to me, given them confidence, made them feel secure. And of course it has aiso given us much confidence, and made us feel very secure, to find that people are so interested in Cuba, despite so many campaigns and so much disinformation. And what great satisfaction is produced by being able to know what (?it always) costs. [end recording]

Robaina's tour through Africa, the first since he was appointed foreign minister, included Ghana, Angola, Zimbabwe, Zambia, and Namibia. During his tour, the foreign minister was received by chiefs of state and high-ranking government officials in those countries, whom he told about the current situation the island is going through. At the same time, he himself learned about the current realities of the said nations, which are also part of our history and traditions.

[Begin Robaina recording] (?The fact that) it is a meeting with the continent that most contributes a presence of supporting votes in whatever international battle Cuba wages, I think also gives it special significance.

I would say that it does not have as much significance—regarding economic and trade possibilities—as a tour of the area in which we live might have, (?because of the great) geographical distance that separates us; but I think

that the interests that we have in common with Africa have never been tainted by purely commercial aspects, aspects of profitability and business. Rather, all the contrary. I would say that it is a tour that, above all, has a great deal to do with values and traditions; and, of course, possibilities for exchanges are not lacking, possibilities for compensated collaboration, a type of exchange which already exists in several of those countries.[end recording]

This tour is part of a diplomatic offensive for the purpose of explaining Cuba's situation and its plans for overcoming the current difficulties.

This is Rey Rodriguez, for the television newscast.

AALAPSO Sponsors Solidarity Meeting in Havana

FL2401224994 Havana Radio Reloj Network in Spanish 2035 GMT 24 Jan 94

[Text] A heavily attended and militant ceremony of solidarity with Cuba, organized by the executive secretariat of AALAPSO [Afro-Asian-Latin America People's Solidarity Organization], was held at the international press center's Havana location. Support for the Cuban Revolution was expressed by numerous representatives of national liberation movements, union and cultural organizations, and participants in the Fourth Latin American and Caribbean Meeting that begins tomorrow at the Convention Center.

AALAPSO Secretary General Rene Anillo Capote gave the first of the speeches at this ceremony for solidarity with Cuba, which was presided over by Jaime Crombet, vice president of the National Assembly of the People's Government. This open forum for solidarity with Cuba denounced U.S. imperialism's unchanging and systematically aggressive policy against our country, and the criminal economic and financial blockade.

Human Rights Leader Reports Attack on Dissident

PA2401201894 Madrid EFE in Spanish 1840 GMT 24 Jan 94

[Text] Havana, 24 Jan (EFE)—Elizardo Sanchez Santacruz, chairman of the Cuban Commission for Human Rights and National Reconciliation (CCDHRN), has charged today that individuals in civilian clothes brutally beat group spokesman Rene del Pozo as he rode a bicycle in a Havana neighborhood. Sanchez, who stated the attack was "carefully planned," told EFE that Rene del Pozo was beaten a number of times in the head, abdomen, and back, and needed to be treated for bruises at Havana's surgical hospital.

According to Sanchez, in the past two weeks, Rolando Pages and Elizardo San Pedro, two other activists of the most moderate group of internal dissidents, were the target of similar attacks "always under strange circumstances," and had to be taken to hospitals. In his opinion, these are "repressive and intimidatory actions by the Cuban Government's political police against peaceful citizens who want to express their disagreement with the continuous violations of civil and political rights."

Radio Festival Celebrates Remote Transmission Start-ups

FL2501002694 Havana Radio Reloj Network in Spanish 2058 GMT 24 Jan 94

[Text] The Guantanamo radio festival began yesterday in the Caujeri Valley with the incorporation of dozens of workers into agricultural tasks and the beginning of remote transmissions.

The workers from radio stations CMKS, "Radio Trinchera Anti-Imperialista," and (CMDX, "La Voz del Toa"), in the important area city of Baracoa, will spend several days doing work in support of the food program in order to contribute to furthering the planting plan of some 25 caballerias of tomatoes.

Prior to this, the jury for the event reflected upon and analyzed more than 50 works of various kinds. The best programs, documentaries, news reports, reportages, and other works from among these will win prizes.

Assembly brigades are working quickly to install equipment in the radio studios of the chief municipal towns of Imias and San Antonio del Sur. These studios will be inaugurated at the end of this month.

Bermuda

Inquiry Commission To Study Independence Issues

FL2301221594 Bridgetown CANA in English 2032 GMT 23 Jan 94

[Text] Hamilton, Bermuda, 23 Jan, CANA—A referendum on independence for Bermuda could be held as early as August, the ROYAL GAZETTE newspaper said on Saturday.

And a commission of inquiry to examine the pros and cons of independence could be up and running soon after the House of Assembly resumes on February 4, official sources said.

Premier Sir John Swan quelled most dissension over a referendum at Thursday's caucus meeting.

But several United Bermuda Party caucus members were off the island, and he could face fresh opposition when the issue is canvassed again next Thursday.

Tourism Minister Jim Woolridge, who returned to the island on Friday night, could lead opposition to the route favoured by the premier.

One cabinet minister, Delegated Affairs Minister Ann Cartwright Decouta, has already resigned over the issue.

If a commission of inquiry on independence was held, it would be conducted in public and wide input would be sought, Sir John said on Friday.

Before the vote was held, legislation to allow it would have to clear the House and Senate (upper house). An August referendum could still allow a commission of inquiry to complete its work and communicate its findings to Bermudians.

The most recent commission of inquiry in Bermuda reported in 1991 to examine and make recommendations for the fishing industry led to the government's controversial fish pot ban.

The only previous referendum in Bermuda was on capital punishment in 1990. Less than one-third of eligible voters participated. Of those who cast ballots, 78.4 per cent favoured retention of the death penalty. The referendum cost government 50,000 dollars (US).

Haiti

Fuel Shortage Reduces School Week to 3 Days

FL2401213494 Port-au-Prince Radio Metropole in French 1145 GMT 24 Jan 94

[Text] Beginning this Monday [24 January], many congregationist schools in Port-au-Prince have decided to operate only three times a week: Mondays, Wednesdays, and Fridays. This decision was made by the association of the directors of those schools working in Port-au-Prince. This decision is a direct consequence of the shortage of fuel and the scarcity of oil product in Port-au-Prince.

We will later discuss the details of this news item, especially with regard to the closing of industries and businesses in Port-au- Prince. For instance, the radio stations in the capital last week began working on a reduced schedule.

Children of Gervais Dying of Malnutrition, Disease

FL2501015594 Port-au-Prince Radio Metropole in French 1700 GMT 24 Jan 94

[Text] In Artibonite, especially in the area of Gervais, hunger is spreading. Our correspondent [Leonor Exantus] tells us that children are dying of malnutrition.

[Begin recording, in Creole] One or two children die of malnutrition every two weeks in Gervais. Located at about 30 km on National Road Number One, Gervais is in the fifth section of Saint-Marc, which has about 3,000 inhabitants. The population in Gervais is suffering from malnutrition, whooping cough, tuberculosis, malaria, thyphoid, et cetera, which every two weeks kill one or two children. Two years ago, the sanitary department of Saint-Marc held a vaccination campaign which did not seem to have reached the Gervais population.

Furthermore, there is no water in Gervais, not to cultivate the gardens, nor for drinking. It is only when it is raining and the river is high that the people in the area can cultivate rice. According to several peasants, they approached institutions including the Red Cross and the City Hall in Saint-Marc, which advised that they themselves are facing difficulties due to the embargo, and cannot help the people in Gervais. The population of Gervais is sending a call to the natives of Gervais living abroad, to Haitians of good faith who might help them. The people ask for urgent action because the children of Gervais are only skin and bones. If no solution or aid is given to the population of Gervais, fifth section of Saint-Marc, the number of children dying everyday will increase.

It should be recalled that in July 1990, a slaughter took place there, killing 12 persons, [word indistinct] houses burned, many missing animals. In addition to all of that, the embargo has created a miserable situation for the people of Gervais.

From Saint Marc in Lower Artibonite, this has been Leonor Exantus for Radio Metropole. [end recording]

LE NOUVELLISTE Notes Army Reshuffle

FL2401213394 Port-au-Prince Radio Metropole in French 1145 GMT 24 Jan 94

[Text] According to the daily newspaper, LE NOUVELISTE, changes have been made within the Haitian Armed Forces. The newspaper notes that several transfers were recently effected within the Haitian Armed Forces, including changes at the heads of two units: the Aviation Corps, in which Colonel Wilson Eustache was replaced by Lieutenant-Colonel Serge Bourdeau, who has been promoted to the rank of colonel. Second, the Corps of Engineers where Lt.-Col. Rodrigue Creve-Coeur, promoted to colonel, succeeds Col. Guy Duchemin, who has been pensioned off. Col. Wilson Eustache has been allegedly called to the personal general staff of the Army commander in chief.

Parliamentary Leader Defends Public Security Government

FL2401223094 Port-au-Prince Signal FM Radio in Creole 1230 GMT 24 Jan 94

[Excerpts] All those who disagree with the resolution of the Group of the Great North [Collectif des Citoyens du Grand Nord, CCGN], must remain exiled in their own country. This was said by Herve Leveille who criticized those who said they are not members of the national congress, which has established a government of public security in the country, [and who say that the government] is not legitimate. In a message published over the weekend, Leveille rebukes those who say the national congress people did not have the Haitian people's support.

[Begin recording, in French] [passage omitted] Active and peaceful mobilization is ordered throughout the

Haitian territory. Active and peaceful mobilization is ordered throughout the Haitian territory. [repeats] The watchword has been released, so our intentions can be respected, so those who say no to rebirth and salvation can be exiled in their own country. [passage omitted]

Determined, we will come home to continue the patriotic struggle with all the means we have at our disposal. To do this, we will leave in place the office that conducted our works and helped us look inward so we could say no to the premeditated failure of an entire people. [end recording]

Chamber President Questions Sanctions' Double Standard

FL2401230194 Port-au-Prince Signal FM Radio in Creole 1230 GMT 24 Jan 94

[Excerpt] Chamber of Deputies President Frantz Robert Monde does not agree that the international community should increase sanctions against the country. According to Deputy Monde, the sanctions have never done anything positive for the country's crisis, have only made the rich richer, and the poor poorer. Monde asks the international community to revise its behavior in the Haitian crisis.

[Begin recording, in French] I think the international community has gotten off to a bad start with... [changes thought] Given the stand it has taken, the international community has not played the role of arbitrator. It must readjust its fire: Adopting further measures against Haiti would be a grave error, not to mention an aberration, because—let us be honest—the agreement was violated by the Army, it says. Let us accept that as a fait accompli. But Aristide also violated the Washington agreement even at the United Nations tribunal. No sanctions were imposed against Aristide. Why are there two sets of standards? [passage omitted] [end recording]

Private Sector Forms National Mediation Committee

FL2501004094 Port-au-Prince Signal FM Radio in Creole 1230 GMT 24 Jan 94

[Text] At the initiative of the Haitian Chamber of Commerce and Industry, several citizens have formed a committee called the National Committee for Mediation [Comite National de Mediation, CNM] to facilitate dialogue among protagonists in the Haitian crisis. The members of this committee present themselves as independents, in relation to Haiti's political parties and religions. The members of this committee include Carlet Auguste, former ambassador under Duvalier; Lamartiniere Honorat, presidential candidate in 1987; Georges A. Beaufils, former chief of cabinet of provisional de facto President Joseph Nerette; Daniel Supplice, former minister under Duvalier; Rosny Desroches, former national education minister under the National Council of Government [CNG], the first CNG having been presided over by former Lieutenant General Henry Namphy; and Franck Joseph, presidential candidate in 1987. Five other personalities, members of this committee, are Mrs. Odette Roy Fombrun, Georges Bailly, Marc Alex Guerrier, Sem Marseille, and Dr. Georges Michel.

This committee advised that on their first workday, they will first focus on precise topics: that is, immediate problems, plus management of the critical situation caused by the embargo. Secondly, they will seek viable options for a way out of the crisis. The debates on these topics will begin on Tuesday, 25 January, tomorrow. They will hold an important meeting at the Villa Creole Hotel as of 0900. The points to be discussed relate to managing the critical situation, which is a result of the economic embargo imposed on the country. The debates will focus on the following topics:

1. Establishment of responsibility for the consequences of the embargo;

2. General, temporary closing of enterprises; objectives, time limits, and incidence;

3. Partial closings, reduction and rearrangement of political schedules, and dismissals;

4. Formation of a private-sector crisis committee;

5. Utilization of the foreign chambers of commerce and employers' associations as a means of pressuring the international community.

The third major point is that resolutions will be presented on each of these topics to facilitate a common stand within the employers' sector. Fourth, in order to facilitate the formation and adoption of the resolutions in debate, the president of each employers' association will hopefully be able to consult with his respective grassroots group in order to get a precise advance mandate. This note was signed by Raymond Roy.

Response to National Conference Meetings 'Minimal'

FL2501031594 Port-au-Prince Radio Metropole in French 1700 GMT 24 Jan 94

[Excerpts] Two meetings, in preparation for the national conference on 6 and 7 February planned by CARENA [Committee of Actions for National Reconciliation], received minimal response from the political parties. CARENA intends to gather together about 100 participants in Port-au-Prince on 6 and 7 February, including five representatives of the legally recognized political parties, as well as representatives of the socioprofessional and religious sectors.

The organizers' optimism is not dampened by the fact that most institutions have not yet designated their official representatives. According to Adyjeangardy, spokesman for the organizing committee, the parliament is ready to legitimize the resolutions of the CARENA conference on 6 and 7 February. He asserts that some

senators have already advised CARENA of their intention to ratify all preparations for the conference, which should attract more than 1,000 [as heard] participants. [passage omitted].

CARENA also asserts that the countries called the Friends of Haiti have welcomed its demand for postponement of reinforced sanctions against Haiti. CARENA is satisfied with the decision of the country's friends of the UN secretary general to favorably answer its request to postpone reinforcement of the sanctions against Haiti, while awaiting participation by all sectors in the national conference in Haiti on 6 and 7 February.

Contacts at the highest level have been made with the United States, France, Venezuela, Canada, the Vatican, the UN and OAS secretaries general, and the current president of the Security Council for this position to be adopted and maintained following the efforts of CARENA, which will continue so that future resolutions of the national conference can be executed at the national and international level.

St. Vincent and the Grenadines

Government Announces 21 Feb General Election

FL2201180494 Bridgetown CANA in English 1647 GMT 22 Jan 94

[Text] Kingstown, St. Vincent, 22 Jan, CANA—The St. Vincent Government has announced a February 21 general election. Nomination day is February 4.

The announcement, Friday night, found opposition political parties well into campaigning. It also found the ruling New Democratic Party with an image problem, following the resignation of minister in the prime minister's office, Burton Williams. Williams said he had resigned last week, with immediate effect, because Prime Minister James Mitchell treated Vincentians with "utmost contempt and disrespect."

Political insiders said Williams was among three persons the NDP wanted to sit out the next general election. Williams, however, said he would try to hold on to the South Windward constituency seat he has held since 1984. The NDP has not yet said who would replace Williams as its candidate or whether controversial former trade minister, Johnathan Peters, would seek to retain his North Central Windward seat.

This month, Mitchell announced he was relieving Peters of his portfolio and placing him on leave until month-end. Peters has been in the U.S. since early December. He is reported to be sorting out problems with the U.S. Immigration and Naturalization Service.

Fifteen seats are at stake in the election. Mitchell's party won all in the last election here, in 1989. Mitchell's main opponent is the St. Vincent Labour Party, headed by Stanley John. The NDP will also be up against political scientist Dr. Ralph Gonsalves' Movement for National Unity.

Opposition politicians have listed unemployment and inadequate housing and health care delivery among the campaign issues. A key issue is sure to be the state of the banana industry, the main source of foreign exchange here. The industry has been hit by falling revenue. The St. Vincent Banana Growers Association, which virtually manages it, earned just over 60 million East Caribbean Dollars (one EC dollar = 37 U.S. cents) in 1993, down from just over EC99 million dollars the previous year.

There has been a sharp increase in the voters list. Late December, 1993, the electoral office put the tally at 66,598, up from 61,091 persons registered for the 1989 poll.

Opposition Parties Form Alliance

FL2401181694 Bridgetown CANA in English 1620 GMT 24 Jan 94

[Text] Kingstown, St. Vincent, 24 Jan, CANA—The St. Vincent and the Grenadines Labour Party (SVLP) and the Movement for National Unity (MNU) have formed an alliance to contest the February 21 general election in which the ruling New Democratic Party (NDP) will be seeking a third straight term.

A joint announcement by the leaders of both parties - Stanley John of the SVLP and Dr Ralph Gonsalves of the MNU - said Vincent Beache, a former trade minister and SVLP leader, was chosen to lead the alliance.

The alliance will contest the 15 seats in the House of Assembly with the SVLP providing nine candidates and the MNU, six. In the just dissolved Parliament, neither party was represented.

Despite formation of the alliance, the two parties will retain their identities "but will present a common manifesto and share a common campaign platform," the statement said.

"This agreement was facilitated by the "Concerned Citizens Committee", a group of prominent Vincentian business persons, professionals and members of clergy who have recently come together to ensure good governance in the state," the statement added.

John will continue to function as leader of the SVLP and Gonsalves as head of the MNU.

Trinidad and Tobago

Manning Announces Cabinet Reshuffle

FL2201175694 Bridgetown CANA in English 1526 GMT 22 Jan 94

[Report by Linda Hutchinson]

[Text] Port-of-Spain, Trinidad, 22 Jan, CANA—Trinidad and Tobago's Prime Minister Patrick Manning on Friday night announced a mini cabinet reshuffle which saw additional responsibilities for some senior ministers. The cabinet reshuffle followed the resignation of Trade, Industry and Tourism Minister Brian Kuei Tung who at the beginning of the month said he wanted to pursue other career options.

In the reshuffle, Junior Finance Minister Ken Valley, who is considered to be one of the most productive ministers in the government, will now have additional responsibilities for trade and industry. The local government ministry which was handled by Valley was shifted to the minister of works and transport, Colm Imbert. Finance Minister Wendell Mottley was given the additional portfolio of the tourism ministry.

In addition, Manning announced the creation of a Ministry of Social Development which will be handled by Senator Camille Regis- Robinson, who will continue as minister in the office of the prime minister.

In a wide-ranging address to the nation, in which he raised concerns about the upsurge in violent crime and gave an up-date about the state of the economy, Manning said in the rebuilding of the country's economy, government has to devote time to the details of tourism and agricultural promotion.

"As we make this shift, we found it necessary to make some corresponding organisational adjustments in the government," he said. "Mr Brian Kuei Tung, the minister of trade, industry and tourism leaves the government (on Friday). I would like to thank him for the tremendous effort that he has exerted in the discharge of his responsibilities over the last two years and to wish him well in his new pursuits.

"In accordance with the government's priorities for the development of the tourism sector in the context of job creation and the need to accelerate the process of streamlining administrative procedures to attract greater levels of investment, there will now be a separate Ministry of Tourism."

Expressing concern about crime in the country, which he described as "callous brutality," the prime minister announced that from Monday, members of the Defence Force will be brought out onto the streets on foot patrol.

"The government feels justified in taking this course of action in the light of the anxiety of citizens over the situation."

Manning also said that in seeking to make the operations of the police more efficient, cabinet has accepted proposals which envisage the establishment of a nine-person police service board of management appointed by the president after consultation with the government and opposition.

The minister of national security, the police service commission, and the commissioner of police in recent times had become embroiled in an issue involving the discipline of police officers. Manning said that opposition leader Basdeo Panday was informed of the proposal and government now awaits a reply. "The board will have the authority to manage the police service and to deal with the recruitment of all levels of police personnel from the rank of constable to the rank of assistant commissioner," said Manning.

"The commissioner of police will be responsible for the discipline of officers in the ranks of constable to inspector. The police service commission in this model will become an appeal tribunal and will also have the power to discipline the commissioner of police and deputy commissioners of police."

The proposal further envisages that both the police service board of management and the police service commission will be accountable to a committee of parliament.

"In addition to all of this, the proposals call for an appointment of an inspector of police service whose responsibility would be to keep the minister of national security up-to-date on the performance of the police services," said Manning. He added that disciplinary proceedings could be instituted against individuals in the service, based on reports from the proposed inspector.

Speaking on the economy of the country, Manning described 1993 as being a "difficult year," which saw a double blow from low oil prices and falling oil production, while an unprecedented level of debt repayment had to be sustained.

"All of this translated into money worries which forced the government to cut back expenditure in many areas," he said, adding that through the sacrifice government had been able to lay a solid foundation on which to build in 1994. He told the nation that government was successful in diversifying the economy away from the exclusive dependence on oil. He said that in 1984, government's revenues were 42 percent dependent on oil, while in 1993, it was only 27 percent dependent.

"So that unwelcome though the present oil prices are, we are infinitely better able to sustain them than we are in 1984. Even so, the repercussions of developments in the oil industry remain too significant to be left to the vagaries of the international oil market. Whereas we cannot control price, we have some influence on our production," said Manning. He said government has been working with several mulitlateral petroleum companies in Trinidad and the local petroleum company to offset the fall in oil prices.

PRD Clashes With Police Leave 16 Injured

PA2401200094 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 24 Jan 94

[From the "Good Morning From Mexico" newscast]

[Text] On 23 January three clashes between riot police from the General Directorate of Public Security and Traffic and over 200 members of the Party of the Democratic Revolution [PRD] occurred in Tlalmanalco, Mexico State. Sixteen persons were injured—three of whom were shot—and 15 were arrested.

The clashes occurred after a group of PRD members blocked both lanes of the Mexico-Cuautla road to protest the victory of PRI [Institutional Revolutionary Party] member Susana Plaza Aguilar during the 14 November election for a new municipal president.

Due to this incident, after removing the PRD members, surveillance was increased at the city council office in Tlalmanalco to prevent demonstrators from seizing the installations.

Salinas Creates Amnesty, Reconciliation Commission

PA2401210894 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 24 Jan 94

[Report by Francisco Trejo; from the "Good Morning From Mexico" newscast]

[Text] President Salinas created during the weekend of 21 January the Amnesty and Reconciliation Commission, which will benefit those involved in the violent actions in Chiapas. Here is Francisco Trejo with a report:

[Begin Trejo recording] The federal government issued on 22 January the Amnesty Law, which will benefit all those involved in the violent actions in Chiapas from 1 January until 1500 20 January 1994. The law, which was published in the Official Gazette, became effective as of 22 January, and it has four permanent articles and two transitory ones.

Article One of the text contains the Amnesty Law, which favors all those against whom any legal action were or could be taken before the federal courts due to crimes associated with the violent actions on 1 January 1994. The executive established a commission that will coordinate implementation of the law.

Article Two establishes that those who are either inside or outside of the country due to crimes indicated in Article One will be able to benefit from the amnesty as long as they release hostages and turn in their weapons.

In Article Three the amnesty permits the application of the law and civil responsibility [responsabilidad civil] of those who request it.

Those who benefit from the law cannot be in the future questioned investigated, arrested, apprehended, or tried in accordance with the terms of the current amnesty. The Amnesty Law will be published throughout the conflict area in both Spanish and the native dialects. [end recording]

Government Secretary To Chair

PA2401233994 Mexico City Canal 13 Azteca Network in Spanish 1300 GMT 24 Jan 94

[From the "Good Morning From Mexico" newscast]

[Text] President Carlos Salinas de Gortari this weekend appointed the Amnesty and Reconciliation Commission in Chiapas in accordance with the Amnesty Law approved by the legislative branch.

During the meeting in which the commission was established, President Salinas urged the commissioners to immediately begin assuming their responsibilities as outlined in the Amnesty Law, which has been in force since Saturday. This commission will watch over the full implementation of the guarantees established in the Amnesty Law for those who turn over their weapons. These people cannot be questioned or detained. Likewise, the commission will speed up the legal proceedings, and it will be responsible for declaring the official end of the Chiapas conflict.

The Amnesty Commission comprises the following representives: the government secretary, who chairs the commission; the secretary of social development; the prosecutor general of the Republic; the agrarian prosecutor general; the director of the National Indian Institute; and the director of the Overall Development and Social Justice Commission for the Indian people. Jose Narro Robles was appointed technical secretary of the Amnesty Commission.

Peace Commissioner: Peace Process at Standstill

PA2401212794 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 24 Jan 94

[Report by Samuel Prieto from the "Good Morning From Mexico" newscast]

[Text] This weekend, Manuel Camacho Solis, commissioner for peace and reconciliation in Chiapas, admitted he perceives signs of exhaustion in his dialogue strategy with the rebel group, which have brought the peace process to a standstill. This problem, Camacho said, is reflected in three worrisome issues, whose adequate solution depends on continued confidence in the strategy and in renewed progress.

The first issue, he said, involves serious concerns about the proceedings implemented through the Amnesty Law for the purpose of making it increasingly restrictive. Camacho went on to explain that this is the key issue among many difficult factors in the conflict, and if it is not resolved it may lead to the loss of a great opportunity for amnesty and the return of the EZLN [Zapatist Army of National Liberation] nonmilitant members to their communities in a reprisal-free climate.

The second issue is a question: What is the agenda and, especially, how can national issues be resolved and the Republic's institutions strengthened without upsetting the legal order? Concerning this issue, Camacho Solis pointed out that amnesty contains guarantees for the state and society and, therefore, the cessation of hostilities is a condition for its concession. The requirements for the implementation of amnesty, however, must be imaginatively and actively fulfilled.

Regarding their agendas, which the fulfillment of the consolidation of the peace process depends on, Camacho said the regional agenda will, by and large, redefine the relationship between the Chiapas communities and the institutions. Changes must be made, even in public priorities, to devote more attention to the Indian regions. Meanwhile, the national agenda cannot associate the possibility of change within the country with the dynamics of an armed movement if there is to be a democratic government.

The third issue, Camacho stressed, is that demands have been made of him to explain the connection between his activities and politics. In this regard, he pointed out it is essential to achieve a political solution to this conflict to ensure a favorable climate for 1994. Everyone, he insisted, must execute the policies entrusted to him. Camacho said he will be completely devoted to this task as long as he can be useful.

Financial Publication on Chiapas Conflict, Economy

PA2401181494 Paris AFP in Spanish 2247 GMT 23 Jan 94

[Text] Mexico City, 23 Jan (AFP)—The TENDENCIAS ECONOMICAS Y FANANCIERAS [ECONOMIC AND FINANCIAL TENDENCIES] (TEF) bulletin said today that the political strategies to face the "Chiapas syndrome" (the emergence of guerrillas) "have already changed, at least partially, the economic outlook, and it would not be wise for investors to downplay or categorically deny the changes that have occurred in 1994."

The "weekly report for company management," published by the Expansion publishing company, pointed out that the government has established a strategy toward pacification which stresses reforms and dialogue." But the report warned about signs that "the government has not yet decided on a unified line of action and the skirmishes among political groups linked with the Institutional Revolutionary Party (PRI, official) and the government are reason for concern." In that framework, which was created by the emergence of the Zapatist National Liberation Army (EZLN) on 1 January in the southern State of Chiapas, TEF indicated that "for now the financial outlook seems stable and optimistic, but that unknown events in the near future might change this stability."

TEF specialists noted that current "financial analyses are underestimating the weight that political events are going to have on the economy during 1994." They pointed out that if the political strategy had "efficient and relatively speedy results," the government would have "a wide margin to maneuver to preserve economic reform and prevent 1994 economic policy objectives from being altered." They added that the economic objectives include overcoming inflation, encouraging a "microeconomic" revolution, and reactivating the economy in accordance with healthy public finances, stable exchange, and an orthodox monetary policy. They warned that "to change the economic policy in response to the Chiapas conflict would be suicidal: to throw overboard all that has been achieved, running the very high risk of causing political instability."

TEF analysts also believe that it is possible for Mexico to close 1994 with a 6.5-percent inflation rate, 1.5 percent over official estimates, and with a 2.5-percent growth in GNP, that is half a point below the official figures.

According to TEF, there are skirmishes among "groups close" to PRI presidential candidate Luis Donaldo Colosio because of the importance that Manuel Camacho, the commissioner for peace and reconciliation in Chiapas who was one of Colosio's rivals for the PRI nomination, now has. TEF added that there is "clear evidence of conflict in government circles between 'doves' (conciliators) and 'hawks' (intransigents), not only regarding the Chiapas conflict, but regarding whether or not there should be an opening in the political system. Which line will prevail and at what expense?"

The publication said that "it seems possible that, even if its definitive solution takes a while, the Chiapas conflict remains isolated in the national scenery and that an 'epidemic' which might spread to other poor areas of the country is not likely. However, this possibility will be very costly and it will influence—we do not know to what extent—the political strategy of Salinas' successor."

President Salinas appointed Colosio as the PRI candidate, but according to analysts, following the emergence of the guerrillas, Colosio "has begun to 'appear' as a weak candidate, and the skirmishes and pressures among PRI members are undeniable."

Guatemala

De Leon Lashes Out Against Promoters of 'No' Campaign

PA2501133094 Guatemala City SIGLO VEINTIUNO in Spanish 23 Jan 94 p 3

[Report by Ricardo Miranda]

[Text] "The No campaign is promoted by corrupt people and those who do not want us to have political peace," President Ramiro de Leon Carpio stated during an unscheduled news conference at Santa Cruz del Quiche yesterday.

Asked how he would react to a No victory, the president said he would accept the people's will and added that he would also obey the Constitutionality Court's resolution if an action against the 30 January event is put forward. If, as a consequence of such an action however, there are public disorders prior to, during, or after the event, the president said he would take the necessary legal and constitutional actions to prevent the country from falling into the crisis promoted by certain groups.

The president reported that he had ordered security organizations to increase measures to control terrorist actions such as the ones that occurred last week. "I am not willing to allow actions of terrorism and intimidation against the population, including media sources, to be repeated," he warned.

He emphasized that he will adopt the necessary constitutional and legal dispositions which will not affect the referendum or its results. "I will act according to the powers the Constitution grants me to counter acts of terrorism, people who disrupt public order, and illegal demonstrations or actions," he concluded.

Transportation Workers Announce Strike for 25 Jan

PA2501050394 Guatemala City EL GRAFICO in Spanish 24 Jan 94 p 3

[Article by Walter Hermosita]

[Text] Guatemala, 24 January 1994—Transportation workers have decided to take action, given the government's lack of response. These actions consist of paralyzing beginning tomorrow up to 100 percent of the heavy-transportation services, said last night leaders of the Fuel Transportation organization, which is grouped under the National Transportation Board, CNT.

CNT Spokesman Rudy Merida has reiterated that the government is being pressured on account of "several pending petitions, and if they are not attended to, the problems will be greater not only for the government but for the community in general. This is why the government should attend to the petitions, which total seven in number. Among the issues to be taken up are, for example, the customs problem—as it has a fixed eight-hour work day. Two others are the transportation cost of fuel and cement, given that these have not been brought up to date," he said.

"The four other problems are the interference—covered up by several mayors—of urban transportation lines in nonurban areas. Another is the Nonurban Transportation ruling, which has not been enforced. Still another is the ruling for the operation of international shipping companies and the problem of retentions, which are illegal and which are being collected by private cargo companies. These are some of the points this sector is demanding be discussed."

"Nevertheless, given that government authorities have expressed their incapacity to reach an agreement, the directors of organized transportation have decided to start staging the strikes as of 25 January, after noon. It is almost certain that the first to go on strike will be those who transport fuel, followed by other heavy-transportation services. This will continue until a total transportation strike takes place if the government, finance, energy and mines, and communications ministers do not meet with us this very day. We are giving you until noon tomorrow; if no solution is presented, we will definitely go on strike," said Rudy Merida, who made the statement.

Honduras

President-Elect Reina Announces Cabinet Members

PA2501002694 Paris AFP in Spanish 2253 GMT 24 Jan 94

[Text] Tegucigalpa, 24 Jan (AFP)—Honduran President-elect Carlos Roberto Reina today announced the members of the cabinet with which he will promote his "moral revolution" in the next four years. Reina will be taking office on 27 January to replace Rafael Callejas. Reina's government team is a mixture of progressive intellectuals, former university professors, conservative businessmen, and politicians.

Guillermo Bueno, a prominent financial administrator and former president of the Honduran Central Bank during military governments, will be Reina's presidential economic adviser and coordinator of the economic cabinet.

The intellectuals include Ernesto Paz Aguilar as foreign minister, Hugo Noe Pino as Central Bank president, and Guillermo Molina Chocano as planning minister. The three have not held government or business positions in the past.

Juan Ferrera, who until now has served as president of the Honduran Council of Private Enterprise (Cohep), will head the Finance Ministry, and banker Delmer Urbizo will be economy minister. The main economic advisers will be financier Jorge Bueso Arias and Dante

Ramirez, former president of the Central American Bank of Economic Integration (BCIE).

Even though during his trip to Washington last week, Reina had announced a dialogue with the Armed Forces to appoint a civilian as defense minister, today he stated that this position will be held by Colonel Reynaldo Andino Flores.

Reina's government team is completed by former Liberal Party presidential hopeful Rodolfo Pastor as culture minister; German Aparicio, a close political supporter, as transport minister; lawyer Efrain Moncada Silva as government minister; Cecilio Zavala as labor minister; Xenovia de Leon, promoter of nongovernmental organizations, as education minister; and Enrique Samayoa as health minister. Attorney Ubodoro Arriaga will head the National Agrarian Institute (INA). He held that post during the Roberto Suazo Cordova administration (1982-86). The president-elect appointed his brother, Mario Reina, as assistant in the presidential office.

"I have sounded out all sectors and this cabinet is what best suits the moral revolution," Reina said.

Nicaragua

National Transportation Commission Begins Strike

PA2401134894 Hamburg DPA in Spanish 1226 GMT 24 Jan 94

[Text] Managua, 24 Jan (DPA)—Passenger and light cargo transportation in Managua was reduced today due to the strike called by the National Transportation Commission [CNT] to demand a number of social-economic benefits from Violeta Chamorro's government.

Sit-down strikes by taxi drivers could be seen this morning (local) in different parts of the capital, while the police carried out strict surveillance. Part of the population had to walk long distances to get to work due to the lack of buses.

It is estimated that 60 percent of the urban transportation system of Managua is supporting the strike. Two hundred twenty buses of the "Parrales Vallejos" cooperative, the strongest in Managua are parked at stations and along some streets.

Managua's transportation system moves approximately 500,000 persons daily. The CNT announced that the pressures for attaining a freeze on the price of oil derivatives will increase depending on how negotiations with the government, which will begin in the next few hours, progress.

President Violeta Chamorro said she expected there would be no violent actions and proposed a meeting with the five groups that are made up of transportation businessmen. Meanwhile, it was learned that the government is trying to get Cardinal Miguel Obando y Bravo to mediate the negotiations.

The CNT proposed a bilateral meeting with the finance, transportation, and labor ministers, who signed accords last September and whom the transporters believe are responsible for the unfulfilled agreements.

Carlos Palma, leader of the strike, said violent outbreaks will be avoided by keeping the buses at the stations. Regarding the new strike, Cardinal Miguel Obando y Bravo, who will travel today to the Vatican, said he hopes the uprising that left several dead and hundreds wounded and jailed last year will not be repeated.

Daniel Ortega, former president and secretary general of the opposition Sandinist National Liberation Front said the government has forced transportation businessmen to strike. Ortega and Obando agree on the need for a negotiated solution to the social-political conflict.

Breaks Off Talks With Government

PA2401232794 Managua Radio Corporacion in Spanish 2200 GMT 24 Jan 94

[From the "Five O'Clock Sharp" newscast]

[Text] We have last-minute information on the negotiations between leaders of the transportation sector and the government. [four-second break in transmission] We repeat: The negotiations between the transportation workers and government have been broken off. We receive this last-minute report from Carlos Torres, chief editor of the "Five O'Clock Sharp" newscast. Carlos Torres, tell us what has happened.

[Torres] The negotiations between the government and the transportation sector were broken off a few hours ago. The members of the National Transportation Commission withdrew, because they are demanding the government conduct the negotiations only with the National Transportation Commission.

Labor Minister Francisco Rosales expressed regret over the withdrawal of the National Transportation Commission members and said the government had called the entire National Transportation Council to study the agreements. The Nicaraguan Transportation Chamber president reported that three members of the Transportation Chamber were attacked in the Metro Centro sector this morning and directly accused Roberto Gonzalez, the main leader of the Parrales Vallejos [bus cooperative] of being involved in this event. Gonzalez denied his accusations, however.

Francisco Rosales and Emilio Pereira, the labor and finance ministers respectively, have just gone to the second floor of the National Assembly to talk to Assembly President Luis Humberto Guzman to try to find a solution to the transportation problem. Roberto

Gonzalez and members of the National Transportation Commission have said their demands will be tougher tomorrow.

Central Bank President on $40 Million Disbursement by U.S.

PA2401181594 Managua Canal Cuatro Television in Spanish 0300 GMT 21 Jan 94

[Interview with Nicaraguan Central Bank President Jose Taboada by unidentified reporter in Managua, dated not given; from the "Extravision" newscast—recorded]

[Text] [Reporter] Minister, the disbursement that was just made is a result of this agreement and it involves $40 million that President Bill Clinton had promised to President Chamorro in December. How will the $40 million be spent now that this agreement was signed? I ask this question because there are great expectations. It has been said that the country faced economic problems, more economic problems when the aid was not disbursed. The $40 million will be forthcoming. The $40 million will reportedly, and according to U.S. Ambassador Maisto, be credited to Nicaragua's account this week. How will the $40 million be spent?

[Taboada] This is a donation that will be applied to our balance of payments. This means that those resources will be added to Central Bank reserves. The Central Bank may sell this foreign currency to Nicaraguan importers, pay oil debts, or pay debts to multilateral financial organizations in Washington. Those are basically the three options for which we may earmark the foreign currency that will be deposited in the Central Bank.

[Reporter] [Question indistinct]

[Taboada] The entire debt, the debt in arrears, which is a government priority, may be paid with these funds as long as such payments are made to multilateral financial organizations such as the World Bank and Inter-American Development Bank. We cannot use this money to pay Germany, for example.

[Reporter] How much does the Nicaraguan debt amount to at present?

[Taboada] The Nicaraguan debt, unfortunately, is more than $10 billion. This is why the government has focused efforts on renegotiating and obtaining pardons for our debt. Thus, the stock [previous word in English] of the debt continues to be very high. This is why when we talk about payments on our debt it must be clearly understood that we are referring to payments of that part of the debt that the government considers to be a priority. We must pay about $254.5 million in 1994.

[Reporter] Minister, you talked about a deficit in our trade balance. How much does it amount to?

[Taboada] That deficit could reach $400 million, perhaps a little more. This is why we need to cover this deficit with foreign cooperation, that is, loans or donations.

[Reporter] Minister, let us switch to another topic: the signing of the ESAF [Enhanced Structural Adjustment Facility]. You said moments ago that the ESAF was signed. The ESAF is a reality. The signing of this agreement was strongly questioned months ago, last year, late last year when the first IMF and World Bank delegation visited our country. The government was unable to sign at that time. Days later a new delegation of the IMF and a World Bank delegation arrived to finalize the signing of the ESAF.

My question is: Opposition leaders, Sandinist leader Daniel Ortega thinks that the signing of this agreement will bring about negative effects, because there is talk of drastic public expenditure reductions. Will this bring about positive or negative consequences? The government argues that the signing of this agreement will bring about positive results for the entire population. What are the final conditions for the signing of this agreement called ESAF?

[Taboada] We are now at a stage in which structural reforms have already been agreed upon. For example, in the financial sector we will continue to maintain the independence of the Bank Superintendency. This commitment was also acquired by the Legislative Branch through Law 125.

There are at times attempts to reaffirm [reiterar] aspects that are already recognized or contained in the government plan. Such aspects include the independence of the Bank Superintendency, the role of state-owned banks as effective mediation instruments in the financial sector, and the continued efforts to further reduce bank operational costs and increase revenues. In sum, to turn banks into instruments to support Nicaraguan production activities.

There are also reforms, that is, agreements in the fiscal area to reduce exonerations, except, obviously, those granted by law. The idea is to benefit Nicaraguan society with the collection of taxes from certain import sectors that are currently exonerated and not protected by law.

[Reporter] What about a reduction in public expenditures?

[Taboada] We realize the need to make further adjustments, that is, reduce public expenditures, in keeping with the resources available to the Nicaraguan economy, that is, the revenues that will be at our disposal from taxes, funds collected by public sector companies, and loans and donations. We must continue our efforts to reduce the size of the nonfinancial public sector to secure resources to ensure that the private sector is able to produce.

Three Parties Unite in 'Unity for Change' Project

PA2501040694 Managua LA PRENSA in Spanish 23 Jan 94 p 3

[Article by Ariel Montoya]

[Text] Alfonso Moncada Guillen, president of the Independent Liberal Party for National Unity, has said the party's new position is to search for the unity of liberalism, although "not necessarily with the current leaders of the other liberal parties."

On 18 January at "La India" cafe, Moncada Guillen held a joint news conference with representatives of the Central American Unionist Party, chaired by party leader Blanca Rojas, and representatives of the National Justice Party (PJN), led by Jorge Diaz Cruz.

These three parties issued a communique in which they pointed out that given the serious political, social, and economic situation Nicaragua is experiencing: "We have decided to join efforts to search for alternative solutions, hoping Nicaraguan society will accept them, and together we will struggle for their implementation."

The three political leaders expressed that currently the nation is going through dramatic times as a result of poverty, the lack of moral values, the disparagement of its political leaders, "and the lack of specific projects" to solve Nicaragua's problems.

In the communique, they also invited all Nicaraguans to participate in a project they called "Unity for Change," which adopts a "credible and trustworthy" political platform that renews the people's spirit to work and their hope in the future.

At the news conference, Moncada Guillen, who is also a doctor, indicated this initiative was taken to create a new political culture, that turns its back on the past and looks toward the future.

Meanwhile, PJN President Diaz Cruz asserted his organization had decided to form an alliance with other political forces "to generate new, reformed criteria in the political position we will present to society."

Diaz Cruz added there are "mixed criteria and ideologies" in his party that unites evangelical sectors. Therefore, he noted, members of diverse political and ideological concepts can participate together. Diaz Cruz indicated his party is new, but he concluded by saying "it has great possibilities" for participating in the nation's difficult political road.

Panama

Molirena Presidential Candidate Interview

PA2401190894 Panama City Circuito RPC Television in Spanish 1245 GMT 24 Jan 94

[Interview with Ruben Dario Carles, leader of the Change 94 Alliance and presidential candidate for the Nationalist Liberal Republican Movement, by Alvaro Alvarado in Panama City—live]

[Text] [Alvarado] Viewers, this morning we have with us Professor Ruben Dario Carles. He heads the so-called Change 94 Alliance. Good morning professor, thanks for being here. Political analysts who were here earlier today called the Change 94 Alliance a Molirena [Nationalist Liberal Republican Movement] alliance because you are a member of the Molirena party, so is Guillermo Quijano, and Tomas Herrera deep down is also one because he works with Mario Galindo, a Molirena member, in the same law offices.

[Carles] To describe Tomas Herrera that way shows a complete lack of respect. Tomas Herrera is the president of a political party [Agrarian Labor Movement—MOLA] and is a distinguished professional with his own merits. He is a man who has fought all his life for liberty and democracy and began his struggle against the dictatorship back in 1969. My fellow citizens who made those assertions made a very poor political analysis.

[Alvarado] Prof. Carles, another very important aspect is the fact that you, according to studies made, represent the official sector—you belonged to the official sector and so did Molirena. Many people believe that your links to Molirena do you harm. What do you think?

[Carles] Good gracious! Molirena is a party; in addition I have been nominated by Morena [National Renewal Movement], a party with much vitality, much organization, and which will be successful. I was also nominated by the Civic Renewal Party. These were the bases of my political actions; there are persons, however, who saw what happened yesterday and who do not appreciate what has been happening for several months. My base is the 60 percent of Panamanians who are not members of any political party.

[Alvarado] How do you describe yourself at this moment? Are you in opposition to the government?

[Carles] I am a citizen who takes action according to my own point of view. I proved this during the four years I was comptroller general.

[Alvarado] There are those who argue that your candidacy represents the country's business or oligarchic class—the interests of the rich and not the interests of the poor.

[Carles] Look at who is making this statement! This holds true for those who said this....

[Alvarado, interrupting] The Arnulfists, mainly.

[Carles] Good gracious! The Arnulfists also have very rich people, a big oligarchy, and some who are very rabiblanco [derogatory term for upper-class Panamanians]. This holds true for all parties so this is just an indiscreet remark by people. People should show more respect. Regardless of their social, economic, or racial condition, I have, and it gives me great satisfaction, friends everywhere—in the

interior, in the city, in farming, industry, business, and among workers. This is really something silly by people who should know better and who want to use this as a populist and senseless maneuver. I believe those who are carrying out that sort of campaign must by now be regretting this. Wait until they come and ask for help and I reply by asking: What is wrong with you? Are you against anyone who has something? That is not the way. Panamanians who have not stolen any money have a right to do what they please with it and take part in the political party of their choice—businessmen, industrialists, cattle ranchers, workers, professional people. It seems to me a disservice to the country to make these insinuations. Let us measure the campaign by the candidate's merits and capacity and not any other way. Let us see what can they do and what can I do with my capacity, experience, and knowledge.

[Alvarado] Are you coming close to possible talks with Mireya Moscoso, Arnulfista Party president and presidential candidate? This is rumored in political circles.

[Carles] Look here, I think we have reached a certain point. We have the nomination and have broadened somewhat the base that allows electoral and political actions. But remember my dear Alvaro: I am the candidate, I am the one who is going to rule, I am going to be the boss, the person who has the program in his head and in writing is me, and that I am the person whom the country identifies as the person who has a possibility of fulfilling a program. What lies ahead are formulas that need to be resolved such as questions to do with candidacies and nominations. Regarding the presidency, I am the candidate and I have absolutely no attachments or commitments for political opportunities with anyone. I am going to choose my assistants among capable Panamanians, so I do not believe we should waste any time on this.

[Alvarado] Professor, something that has become very relevant is the president's statements on Saturday. What is your opinion on Endara saying that he openly supports Mrs. Mireya Moscoso de Gruber describing as traitors all those in his government, principally from Molirena, who did not support him [the Arnulfist ticket]?

[Carles] This is a free country and each person should politically opt for what he believes in. The president should by now be worried after using such strong words. Perhaps in the heat of the moment he said things that I, who know him well, know he does not feel.

[Alvarado] Can there be any impartiality in his words after he swore to respect the electoral process and not meddle in political affairs?

[Carles] People's oaths are each person's promise. I am sure that he went slightly overboard when he took such a direct participative stance. This is a problem he should admit to. He is going to resolve it because Guillermo Endara deep down is someone who is very willing to obey the law. If he scoffed at it at the National Theater [as heard] and has repeatedly said that he will preside over open elections, which I believe is the case, then he will have to straighten his course. Otherwise, he is going to have—I know how these things are—a disastrous last few months in office. Guillermo Endara has a vision of the future because he is aware that he cannot allow his work to become complicated in his last months in office.

[Alvarado] Prof. Carles, today an EL SIGLO newspaper headline says that the Legislative Assembly now is in the hands of Molirena, which in certain ways is an opposition party. National Assembly President Arturo Vallarino has said the president could be put on trial for his statements on Saturday. What do you think?

[Carles] First of all I must correct you because no single party controls the Legislative Assembly and the actions they can initiate are something they should.... [pauses] They can only ensure compliance of the legal aspects. This is a very delicate topic that needs proper consideration. I am sure that President Endara's attitude in the future will be to keep his promise to hold free and open elections, without becoming politically involved. It does not matter what happened recently; I hope that he keeps to his promise because this is one of his basic goals and I believe he is going to keep to it.

[Alvarado] Prof. Carles, what other parties are seeking to support your candidacy or join the alliance?

[Carles] I believe what we need now are agreements of support for the future. I hope that a process of adjustment will begin among the various groups that have formed and that these groups will join us or that some may transfer their attention to us. You will doubtless have noticed that when these youths speak they have great mobility, while others are not yet defined. I believe that between now and 8 February some will join. I will continue, of course, with the candidacy I have initially accepted by the Morena Party and the Civic Renewal Party. Others, I hope, will join as we go along. This will avoid having so many party groups, and most especially, the great majority of independent Panamanians will start defining themselves in our favor. The candidates are what is important in these elections and not the ticket of the political mechanisms that of course served to comply with the electoral laws.

[Alvarado] Prof. Carles, what will win these elections, the person or the party? What do people support right now?

[Carles] What I can see is that voters want a good president who makes decisions and resolves problems. This is not something that the parties guarantee, it is the candidates who guarantee this.

[Alvarado] You visited Chiriqui Province this weekend, what is the situation there? Chiriqui producers constantly complain about the situation.

[Carles] Lately I have had the opportunity to visit several places in the country. This weekend I promised, as a matter of economic policy, to fight so that the Republic of Panama can resolve its food problem. If a government does not contribute to solving the problem of food

produced in the country, it is not doing well. I told them what has been my norm for many years: to reasonably protect the production of cattle and dairy products, rice, corn, sorghum, tomatoes, and some vegetables. This is an unalterable policy, but I warned that this would be done within reason so producers can increase their efficiency and ensure that prices to consumers are reasonable as well.

Endara Interview on Molirena, Arnulfists

PA2401172694 Panama City Circuito RPC Television in Spanish 1258 GMT 24 Jan 94

[Telephone interview with Panamanian President Guillermo Endara at the Presidential Palace by Hugo Enrique Famania at the RPC studios in Panama City—live]

[Text] [Famania] Good morning, Mr. President.

[Endara] Good morning to you Famania and to all your viewers. I would like to begin by thanking Professor Ruben Dario Carles for his remarks about me. I must reiterate that I have a very high opinion of him. At no time during this political campaign will I be able to speak ill of him because we have been and will continue to be friends for the rest of our lives. Moreover, I must say that as comptroller he always supported my presidency and I as president supported him as comptroller.

I would like to begin by saying something that all of the news media have repeated and which you just announced on television. It has been said that on Saturday I said the members of Molirena [Nationalist Liberal Republican Movement] are traitors. I challenge your television station and the other news media which reported it, because everything I say in public is recorded. Bring me the recording in which I characterized the members of Molirena as traitors. I did not do that and I would like you to prove that I did without playing any tricks with the tapes.

I said the members of Molirena had spurned the Arnulfists [PA]. I wanted to be a witness as to why an agreement could not be reached by the parties and that is why I called a meeting on Friday—I believe it was Friday—to find out what was happening with my administration. I did not want to meddle in politics, I only wanted to know what was happening with my administration. I reached the conclusion that the PA-Molirena conflict was solely that Molirena had taken it into their heads that they wanted a certain electoral circuit when the PA already had a candidate in that circuit. They felt that their candidate was deserving of some privilege or other. The PA then proposed that each party put forward its candidate and allow the people to make the decision. Molirena did not like this and in my opinion they spurned and humiliated us. It hurts me very much when the PA is humiliated or spurned. I know that for certain political parties we are scum [lumpen], the lowest sector of the people and they have always despised us. I had never seen Molirena behave this way and when I saw this it hurt me to the core; it hurt me very much. I had experienced this situation with the Christian Democratic Party but never with Molirena and it truly hurt me. However, I never characterized them as traitors because they have never been traitors. I challenge you to bring me the evidence that I characterized them as traitors.

[Famania] Mr. President, we have asked our coordinator to play the recording of the incident on Saturday. We will be broadcasting it later so this situation will be clarified. This incident is also commented on in LA PRENSA's "As of Today" column but I will leave it at that....

[Endara, interrupting] Yes, but LA PRENSA's "As of Today" column is not infallible. That column has missed the target many times, so to speak. I would also like to explain something else.

[Famania] Go ahead, Mr. President.

[Endara] You have said, and it was announced a while ago on your television station, that I as president of the Republic supported Mireya [Mireya Gruber, PA's presidential candidate]. Yesterday I had distributed to all the newspapers the reasons why I did not attend the PA convention; it was precisely to avoid supporting any candidate, because I am president of the Republic. However, during a crisis within my party I must be with the party, not supporting it as president of the Republic but as a member. On Saturday night I was so hurt as an Arnulfist by the mistreatment, contempt, and humiliation we received from Molirena, that I had to be with the party; not to support it as president of the Republic or to give it the state's support, but because I wanted to be present. I have been and always will be an Arnulfist. However, as president, although I am an Arnulfist, I will remain neutral. I want everyone to know: I am and will remain an Arnulfist all of my life, but I will be neutral as president of the Republic. Therefore, you must not say that I made statements in support of Mireya Moscoso de Gruber or that the presidency is behind her.

Furthermore, it is very likely—I have not made up my mind yet—that I will appoint new ministers from the PA. It is possible. This does not mean that I am supporting the PA politically because I am going to demand that those ministers behave the same way I behave. They must not offer to any political party or candidate their political support, state support, state property, or their influence.

[Famania] Mr. President, the criticisms that are being leveled against this weekend's events as they pertain to you and to the presidency's role in all of this, is that a political meeting was held at the presidency of the Republic. Second, that you participated in the meeting, which was attended by the Arnulfist presidential ticket, and third, that certain presidential public relations officials even provided reporters with credentials to participate in the PA's 23 January convention. This is where doubts about your neutrality emerge, Mr. President.

[Endara] Let us deal with each accusation separately. Friday's meeting. [coughs] I held Friday's meeting after

office hours and for the sole purpose of finding out what was happening with my administration. I saw that the political parties that had supported my government were engaged in a fight and this was affecting my government's stability. You had been reporting this for weeks; for at least 15 days. The problem was affecting my government's stability and I wanted to meet with them to find out what was happening. This was the purpose of Friday night's meeting. I was concerned over my administration because I am president of the Republic and it is my duty to be concerned over my administration.

[Famania] A brief question, Mr. President. If this was the case, why were Mision [National Unity Mission] and Solidaridad [Solidarity Party] invited?

[Endara] They were invited because they were participants in the negotiations and I wanted to know who was causing the problem. I wanted to know what my government's situation was. How could I exclude them from the meeting when they were participating in the talks?

On Saturday I visited [the PA headquarters] not to support the party but to be present at a time of crisis. My party had suffered a huge slight, it had been humiliated, and I wanted to share that difficult moment of humiliation; I wanted the party to have my support, not my political support but the support of a fellow party member who felt as spurned and humiliated as they did.

Third, I think you were undoubtedly speaking about Presidential Press Secretary Rene Hernandez. Hernandez has been on vacation for approximately two months and I believe he still has another month to go. During his vacation he can do whatever he wants to; he could be at the beach but he prefers to do this. I have no proof that he distributed press [credentials] but while he is on vacation he can do as he pleases, just as you do. However, he was not working with the presidency because he is on vacation.

[Famania] Mr. President can you confirm that changes will be made? Are you aware that by making these changes the same thing that happened when the Christian Democratic Party [PDC] was separated could happen again? Many Panamanians appointed by Molirena ministers may lose their jobs.

[Endara] Molirena has spoken of resignations. Several Molirena employees have spoken of resigning and I must remind you that in the PDC's case, I would estimate that 99 percent of the separations resulted from resignations, not dismissals. I believe the same thing will happen with Molirena but they have not announced that.

[Famania] When will you decide on cabinet changes?

[Endara] I am thinking it over now and I will make the announcement in due time.

[Famania] Will you appoint Arnulfists or independents?

[Endara] I will make the announcement in due time.

[Famania] These changes could affect your administration.

[Endara] Affect it as a result of the changes? Well, of course, all changes affect an administration, but the effects can be favorable or unfavorable. I hope it will be favorable.

[Famania] Mr. President, thank you very much for speaking with us this morning.

Party Endorsements of Gruber as Presidential Candidate

PLA Nominates

PA2401193694 Panama City EL PANAMA AMERICA in Spanish 24 Jan 94 p 1a

[Report by Carlos Vargas]

[Text] The Authentic Liberal Party [PLA] yesterday nominated Mireya Moscoso de Gruber for president, Arnulfo Escalona for first vice president, and Jose Teran Sitton for second vice president during the party's fourth national convention in Chitre, Herrera Province.

Only six delegates, including Legislator Hernan Gnaeggi and Luis Ramon Fabrega, abstained from voting in favor of the presidential ticket proposed by convention leader Joaquin Fernando Franco, who chaired the PLA meeting.

A total of 221 out of 257 delegates attended the convention, which proceeded slowly after starting three hours late due to a blackout. Franco said the process was slow "because we took the utmost care to avoid having to face another challenge."

The convention delegates amended two articles of the party's statutes and elected the National Executive Authority with chairman Arnulfo Escalona, the members of the National Political Authority, and the members of the Honor Court.

Arnulfist Party Nominates

PA2501010394 Panama City LA PRENSA in Spanish 24 Jan 94 p 1A

[Report by Manuel Alvarez Cedeno]

[Text] During its national convention yesterday, the Arnulfist Party (PA) announced that its presidential ticket will be headed by Mireya Moscoso de Gruber. At the same time, the main PA leaders accused their former Molirena [Nationalist Liberal Republican Movement] allies of being "traitors and Judases" for abandoning the official coalition.

The 354 convention delegates voted in favor of the slate headed by Mrs. Gruber. The slate also includes veteran politician Arnulfo Escalona of the Liberal Authentic Party (PLA) as the first vice-presidential candidate, and

the second vice-presidential candidate is National Liberal Party (PLN) member Jose Teran Sitton.

Sources close to the convention organizing committee indicated that they had rented about 1,500 buses capable of transporting 60 people each. This totals nearly 90,000 participants and another 30,000 who arrived on their own.

The PA candidate stated that "once more on 8 May we will prove that the party founded by Arnulfo Arias has never lost an election."

In referring to Molirena, she said, "I am quite sure that those, who for merely selfish and unworthy reasons are not with us today, will be lamenting their decision by tomorrow."

Once the convention ended at approximately 1500, the government party presidential ticket headed to a dais located in front of Santa Ana Park where they addressed their supporters. Mrs. Gruber took the opportunity to present her government program which includes, among other things, a "well-prepared" plan to confront poverty, create at least 100,000 jobs, and a frontal attack against drug trafficking.

According to the PA candidate, the state will continue to promote public projects by resorting to private sector resources as much as possible. The PA government will continue to work closely with workers organizations and encourage them to contribute to resolving the nation's economic problems.

According to Mrs. Gruber, the Arnulfist government will continue honoring commitments, such as the foreign debt payment, to enable the country to remain in good credit standing.

In addition, she added, "We will follow a rational public spending policy, we will respect the Torrijos-Carter Treaties, and we will hold a referendum on the presence of U.S. military bases beyond the year 2000."

Escalona, meanwhile, said the PA presidential ticket represents the country's lower classes, while Teran said, "We have to guarantee that those who sowed death and fear in the country will never return to power."

Before the officials on the slate spoke, leader Jose Aleman said during the convention that the "bad liberals" (members of Molirena), who have betrayed Endara are currently holding a sad Judas convention (at the Atlapa Convention Center).

Aleman said: "We are going to eat those bad liberals in a double rooster soup [the rooster is Molirena's party symbol]. Tomorrow we are going to chop off their heads, and then we will eat them. Those bad liberals should be taken out of the government." In turn, this those attending the event shouted: "Take them out, take them out."

Meanwhile the PLA held its convention in Chitre, where it ratified its support for Gruber. Before the convention was held, Legislator German Gnaeggi said a group of convention participants, most of them from Cocle Province, would support the candidacy of former Comptroller Ruben Dario Carles instead of Mireya de Gruber, but the motion was not presented during the convention.

Arnulfist Candidate on Molirena's Withdrawal

PA2501044894 Panama City Telemetro Television Network in Spanish 1730 GMT 24 Jan 94

[Report by Mirna Ortega from the "Telemetro Reports" newscast]

[Text] Arnulfist Party [PA] officials are meeting at the Presidency to study the possible withdrawal of Molirena [Nationalist Liberal Republican Movement] members from the posts they currently occupy in government. Right now, and at the request of President Guillermo Endara, PA presidential candidate Mireya Moscoso de Gruber and PA leader Carlos Rodriguez are meeting with him at the Presidency of the Republic.

When she arrived at the Presidency, Dona Mireya Moscoso de Gruber talked to reporters and commented on the possible withdrawal of the current Molirena ministers.

[Begin recording] [Gruber] The president will have to make this decision, and it will be a hard decision to make. Members of Molirena, as well as members of the Authentic Liberal Party and the PA, have served to support his government. Therefore, I believe the president must choose what is best the country—not for his party or for himself—at this time.

[Unidentified reporter] Do you think the government will work the same if Molirena is not in the government alliance?

[Gruber] We, the Arnulfists, feel a bit uncomfortable with the situation, because the members of Molirena are now going to be in the opposition. I believe the government will not work properly without them. Nevertheless, the president must make the decision, and we should leave it in his hands.

[Reporter] Will the Arnulfists make any recommendations on this issue?

[Gruber] No, we have not talked to the president yet.

[Reporter] Is that the reason for today's meeting?

[Gruber] The president called me and said he wanted to talk to me. I will learn the reason for the meeting when I meet with him. [end recording]

Mireya Moscoso also acknowledged that the president and his government team will be faced with a difficult task if Molirena withdraws from the government.

[Begin recording] [Gruber] President Endara's relations with the Legislative Assembly will be difficult. However,

I hope the legislators will act to help the country and not a specific party. Their responsibility is to further the good of the country, not to further their own interests. That is why they were elected.

[Reporter] Has President Endara's government been weakened with the latest events and with Molirena's possible withdrawal from government?

[Gruber] I do not think so. The PA is a big party. We demonstrated it yesterday when more than 100,000 people backed us at Santa Ana. Those people are the president's political backing. [end recording]

Correction to Former Comptroller Accused of Favoring IFIS

PA1901213794

The following correction pertains to the item headlined "PDC President Accuses Former Comptroller of Favoring IFIS," published in the 19 January Latin America DAILY REPORT, page 43: Column one, first graf, last sentence make read: ...and economic stability. [new graf] [Begin Ossa recording] Our position has... (providing name of speaker) Column two, third graf, last sentence make read: ...all of this. [end recording] (endall)... (providing dropped editorial notation)

Argentina

Foreign Official Discusses Falklands Sovereignty

PY2401180194 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1144 GMT 23 Jan 94

[Text] Buenos Aires, 23 Jan (NA)—Foreign Ministry Secretary General Andres Cisneros has said that if Argentina continues with its present policies over the Malvinas Islands, "inevitably, some day, it will discuss the issue of sovereignty with Great Britain in a nontraumatic way."

Cisneros justified Argentina's policy of approach to the Malvinas Islanders saying: "The better the Malvinas Islanders get along, the more they exploit their own resources, the quicker they will realize that they can only do it with us. They will realize they can grow economically and as a society associating themselves with the only neighbor God gave them on earth, that is, us."

He flatly denied to Radio Continental that such approach policy showed government "weakness," adding that he is convinced the policy "will inevitably lead to a discussion of the sovereignty issue in a nontraumatic way."

Cisneros praised the Argentine Government decision to propose to the British Government the removal of the mine fields buried on the islands during the 1982 war.

"When offering to cooperate in the removal of the mines that we planted we are not just fulfilling international norms that almost no one else respects, but we are giving an example to the world about the civilized behavior of a country that has been at war with another but which does not want to kill civilians unwillingly after the war ended," Cisneros said.

"The work of removing mines is not easy, but neither is it impossible," Cisneros said, adding that "Argentine technology is good to manufacture and to clean a mine field and we are well prepared for the job."

The official said: "The lesson Argentina and Great Britain are giving the world on the civilized way to proceed after a war is exceptional."

Cisneros said: "Although international treaties mention it, very few countries do what Great Britain is doing in the Malvinas Islands; investigating their own alleged war crimes."

Cisneros confirmed that U.S. President Bill Clinton is intent on organizing a summit with the presidents of all the Americas, except Cuba and Haiti, adding that "U.S. foreign policies during the past five years have tended to include guidelines on the entire region."

"They are integrating proposals that seek to create links with the rest of the Americas to determine consistent policies for the entire continent," Cisneros said, adding that "corruption and poverty are two issues that concern U.S. and Argentine foreign policy the most."

Regarding the negotiation between Argentina and the United States for the purchase of Skyhawk planes equipped with state of the art radar, Cisneros admitted that negotiations will remain "deadlocked" until a new defense minister is designated in the United States.

"The issue will probably be delayed until the U.S. Government appoints a new defense minister, but Foreign Minister Guido Di Tella and Defense Minister Oscar Camilion are quite optimistic about obtaining a good result," the official said.

Regarding the free trade treaty (NAFTA) between the United States, Mexico, and Canada became effective on 1 January, Cisneros said we still do not know "if the treaty will remain with just those three countries or if it will incorporate" other nations in the continent.

Cisneros said that Argentina "must now give priority to our own economic regionalization process—Mercosur [Common Market of the South]"—which "does not exclude NAFTA."

Chile 'Not Worried' Over Argentine Military Plane Purchase

PY2401200894 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1518 GMT 24 Jan 94

[Text] Buenos Aires, 24 Jan (NA)—Upon arriving here on an official visit, Chilean Defense Minister Patricio Rojas said this morning that his country "is not worried" about the purchase of airplanes or any other type of materiel by the Argentine Armed Forces.

Rojas was met by Argentine Defense Minister Oscar Camilion; Lieutenant General Mario Candido Diaz, the joint staff chief; and other Defense Ministry officials and military leaders.

The Chilean minister will remain here just a few hours, as he is scheduled to return to Santiago this afternoon after meeting with Camilion and lunching at the Alvear Palace Hotel.

In remarks to the journalists, the two defense ministers ruled out the possibility of discussing the Laguna del Desierto border problem.

For his part, Camilion said the purchase of the A-4 Skyhawk planes will be decided during the meetings that Foreign Minister Guido Di Tella will hold with U.S. officials in the United States.

Camilion also confirmed a donation by the United States of three Hercules C-130 planes that will possibly arrive in Argentina before the end of the month.

Neuquen, Rio Negro Provinces Join Fiscal Pact

PY2401224294 Buenos Aires LA PRENSA in Spanish 22 Jan 94 p 1

[Text] President Carlos Menem obtained yesterday a clear political victory by getting the provinces of Neuquen and Rio Negro to join the fiscal pact.

After two days of negotiations in the Chapadmalal tourist resort, the government was able to get practically all the provinces to join the economic and fiscal guidelines of the central power.

Eduardo Angeloz [Cordoba Province governor] thus remained the single "rebel" governor who has not yet signed the pact drawn up by Economy Minister Domingo Cavallo. But the legislature of Corrientes Province must also decide whether or not it will approve the signing of the pact by Ideler Tonelli, who was then the trustee of that province.

Intense negotiations were carried out by Domingo Cavallo, presidential General Secretary Eduardo Bauza, and Interior Minister Carlos Ruckauf to get Neuquen Governor Jorge Sobisch and Rio Negro Governor Horacio Massaccesi to sign the pact.

Bauza himself later denied that pressure was exerted on the two governors, saying that the agreement with Neuquen and Rio Negro "considers the interests of the nation and of each province."

Bolivia

Lack of Control on DEA Activities Questioned

PY2401151794 La Paz PRESENCIA in Spanish 16 Jan 94 p 3

[Editorial: "Who Controls the DEA?"]

[Text] The new Social Defense secretary—who is in charge of drug enforcement actions—was asked a few days ago if he knew how many DEA agents operate in Bolivia. The high-ranking government official said he did not know.

Does any government official know the answer? An investigation by this newspaper has showed that no one can. Neither the Ministry of Government nor the Foreign Ministry really know how many DEA agents operate in Bolivia. This is because they are hidden among the U.S. Embassy staff.

This issue came into the limelight more than a year ago when a DEA agent wounded a Bolivian citizen in Santa Cruz. He was immediately expatriated. The explanation given at that time was that he was accredited as a diplomat. He thus had diplomatic immunity under which, according to the Vienna Convention, the host country grants immunity to representatives of the governments with whom it maintains relations.

The Vienna Convention establishes that it is not necessary for an embassy to inform a host government on the functions of its embassy personnel because it is understood that their activities will be strictly restricted to diplomatic norms. There is a clear contradiction, however, between the work done by the DEA agents and these norms which are being ignored by both the DEA and the rest of the U.S. embassy members, who on more than on one occasion have openly intervened in internal Bolivian affairs.

The main subject that interests us—that is, the "safe houses" that the DEA keeps in several Bolivian cities where alleged drug traffickers are questioned—deserves official explanation.

Claiming that the national police do not merit confidence because connections have been found between some officers and drug traffickers does not justify a third party carrying out the duties of the Bolivian State.

Both the district prosecutor and the Human Rights Assembly of Santa Cruz have said that these agents ignore Bolivian laws and their actions are not controlled by our national authorities who have limited themselves to say: "There is no smoke without fire." What is worse, the DEA chief refuses to receive a national deputy in his office to discuss the charges.

We must recall that this is not the first time that this kind of irregular procedures by the DEA has been made public. During the last administration, former Interior Minister Carlos Saavedra Bruno was very concerned about charges that were made and he said he would ask the U.S. Embassy for a report on the activities of these "diplomats." The subject was not discussed again, however, because of the election campaign flurry. But the fact that the issue has again come to the limelight shows that it cannot be controlled by our authorities. And this cannot be so.

Following the announcement that the new U.S. drug enforcement policy has ruled out the militarization of the issue and efforts will be concentrated on police interdiction—which certainly is good news—it is necessary to establish clear rules that must be respected by any kind of foreign "advisers" in this field. Beside preserving our national sovereignty on such a sensitive subject, the establishment of an agreement will help the two countries to maintain relations in an atmosphere of mutual respect.

Brazil

'Controversial' Piranha Missile Project Reactivated

PY2401203794 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Jan 94 p B14

[Article by Julio Ottoboni, from Sao Jose dos Campos]

[Text] After more than eight years of its being dormant the Aeronautics Ministry has reactivated the controversial Piranha teleguided missile project, which had been suspended twice.

The new contract was signed with Mectron Engenharia, a company headquartered in Sao Jose dos Campos, which is basically comprised of engineers trained at the Aeronautical Technology Institute (ITA). The Aeronautics Ministry has cloaked this project in secrecy. Despite this military sources told O ESTADO DE SAO PAULO that the ministry intends to develop several prototypes without delay, so that they can compete on the international market within 30 months.

The federal government has acquiesced in appropriating $10 million for the project, as stipulated in the contract. Mectron Engenharia, which will be in charge of the development and tests of the prototype for the missiles, will work in cooperation with the Aerospace Technical Center (CTA).

The Piranha (MAA-1) air-to-air missile will probably be assembled at Engesa [Specialized Engineers, Inc.], which has recently filed for bankruptcy. Engesa had enlarged its facilities to mass produce the Piranha missile during the eighties, and kept the necessary equipment. According to reports, 80 percent of the missile has already been manufactured.

The Aeronautics Ministry intends to launch the Piranha missile on the international weapons market as a sophisticated and reasonably priced product compared to its competitors. While the prices of foreign models range between $120,000 and $250,000, the domestic missile will be sold at $100,000.

Argentina's Condor missile, technologically inferior to the Piranha, is vying with the latter for that sales market. According to the same sources, the urgency in the reactivation of the missile project is due to the growing need for efficient weapons in air surveillance demanded by the Amazon Protection System (Sipam). The Armed Forces' supersonic fighter aircraft, Xavante and AMX, manufactured by Embraer [Brazilian Aeronautics Company], will be fitted with two Piranha air-to-air missiles on the wing tips. Furthermore, the Navy and the Army will have at their disposal versions of Piranha air-to-surface and surface-to-air missiles.

New Committee Created To Continue Budget CPI Work

PY2401200794 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 24 Jan 94

[Excerpts] Chamber of Deputies President Inocencio de Oliveira today ordered the creation of a control committee to continue the work of the Budget CPI [Congressional Investigating Committee] and scrutinize those congressmen the CPI report recommends be further investigated. This control committee will have 30 days to conclude its work, and will be made up of seven congressmen. It will be coordinated by the Chamber of Deputies vice president, Deputy Fernando Lira, and the rapporteur will be Deputy Vital do Rego, comptroller of the lower house.

Meanwhile, the final Budget CPI report must be corrected before it is delivered to the presidents of the Senate and the Chamber of Deputies. [passage omitted]

Budget CPI President Senator Jarbas Passarinho spent the morning in his house organizing the documents that arrived at the last moment at the CPI, and which must be added to the final report. One of the documents which arrived during the weekend is a report from Sergipe Governor Joao Alves demonstrating that his assets are compatible with his income. The document was processed by rapporteur Deputy Roberto Magalhaes.

Senator Passarinho must hand in the final CPI report to the Chamber of Deputies president this afternoon. But this will only take place if the Senate data processing service manages to print the report with the corrections made by the CPI members and the improvised commentaries made by the rapporteur as he read the final report.

Furthermore, Chamber of Deputies President Inocencio de Oliveira said that the Constitution and Justice Committee, which must judge the congressmen mentioned in the CPI report, must have its composition reorganized before the end of the week. Some of the current members of this committee are mentioned in the final CPI report, so they must be replaced.

[Begin Oliveira recording] The decisions of the Constitution and Justice Committee, which is made up of 54 members, are made through a vote. I believe that the congressmen mentioned in the CPI report must be removed from their posts by their party leaders. [end recording]

The government will also intensify the investigations on the involvement of Executive Branch officials in the budget scandal. A special investigative committee presided over by Federal Administration Secretary Romildo Canhim will be installed in the first week of February.

Incidents Mark Privatization of Petrochemical Company

PY2501012994 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 24 Jan 94

[Excerpts] There was disorder in downtown Rio de Janeiro during the auctioning of Petroquimica Uniao. The privatization of the company has been postponed for the third time, and should be completed tomorrow.

The auction was not concluded because only 64 percent of the shares, worth 90 billion real cruzeiros, had been sold. In order to transfer the company it is necessary to sell 75 percent of the shares. Brokers will bid for the remaining shares tomorrow.

The auction lasted 11 minutes. The demonstrators, who were on the streets and did not get close to the stock market building because of security measures, decided to stage a march during which they stoned the facades of several banks in downtown Rio de Janeiro. A military policeman was wounded in the face, and a military police battalion closed the street. [passage omitted]

The march cut off traffic in Rio Branco Avenue, one of the main downtown avenues, and ended in front of the Petrobras [Brazilian Petroleum Corporation] building.

Two people were reported wounded during the incidents, but no one was reported arrested.

Utility Rates To Be Corrected Below Inflation Rate

PY2501115694 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 25 Jan 94

[Text] The finance, planning, and mines and energy ministers yesterday announced—two days ahead—that fuel prices would be increased by 16.5-percent as of 26 January.

The peculiarity in this increase is that the price adjustment is lower than the inflation rate.

The fuel price adjustment for January will stand at 36.3 percent, compared with 38.6 percent in December. This means the adjustment is 2.3-percent less. The drop is based on a cut in international oil prices and an increase in the productivity of Petrobras [Brazilian Petroleum Corporation].

This increase will have a 0.7-percent impact on the wholesale price index calculated by the Getulio Vargas Foundation.

Winston Fritsch, Finance Ministry economic policy secretary, said that the policy of correcting prices below the inflation rate will be extended to all the utility rates.

* International Year Marks Defeat for Indians

94SM0172A Brasilia CORREIO BRAZILIENSE in Portuguese 12 Dec 93 p 32

[Article by Carmem Cruz: "International Year Marks Defeat for Indians"]

[Text] Brazil's 262,000 Indians have little to commemorate in this International Year of Native Peoples, which they have turned into a year of struggle to get their lands demarcated. The government has demarcated fewer areas than in 1991 and 1992, over 80 percent of the lands already confirmed are still being invaded by lumbermen, prospectors, and ranchers, and violence is on the rise. The massacre of the Ianomamis in Roraima increased the number of murders to almost twice the total recorded during the past three years. Suicide among Guaranis is continuing. The new statute has not been approved, and the rights guaranteed by the 1988 Constitution may be undermined by revision.

It is an alarming picture, and it is made worse by the authorities' lack of commitment to solving such serious problems as the complete lack of health care for the Indian communities. Malaria and tuberculosis, Hansen's disease, and other illnesses are affecting the Ianomamis, whooping cough is claiming new victims among the Uru-eu-uau-uaus in Rondonia, and even influenza and measles are not under control because there is a complete absence of health workers and medicines in the area. Transferring responsibility for medical care to the Ministry of Health has resulted in chaos. Not because Funai [National Indian Foundation] was able to handle things adequately, but because the ministry, even though it has funds for providing the Indians with health care, has been unable to implement actions to provide the villages with the things planned during exhaustive meetings on the Esplanade of Ministries.

After two long years of quarreling over health care for Brazil's Indians, Funai and the Ministry of Health decided to meet during a seminar at CNTI [National Confederation of Industrial Workers] headquarters in Luziania and discuss long-awaited cooperation. That meeting had the effect of balancing the ministry's need to spend the thousands of real cruzeiros it has set aside with Funai's need to reactivate the village posts, which have deteriorated and, in most cases, been closed completely. That cooperation is to be modeled on the Ianomami Area Health District, the only unit that the ministry has managed to begin operating reasonably well in recent years.

Quarrels—As though the needs of the Indian communities—needs created precisely by the government's assistance policy—were not enough, quarrels over possession of the land on which they live or from where they have been expelled are making the daily life of many tribes a real hell. That is the case, for instance, with the Caiova Guaranis in Mato Grosso do Sul, who are in permanent conflict with the ranchers who have settled on their land. The Indians have been driven from their villages, and although their land has been demarcated, they cannot enter it.

Judge Suzana de Camargo Gomes in Campo Grande recently handed down a decision unfavorable to the Indians. It invalidated the president of the republic's directives and recognized the ranchers' right of possession as legitimate. The Indians are threatening to invade the area and die for their land.

In Roraima, where encouragement from Roraima society and Governor Ottomar de Souza Pinto in particular has been justifying incursions by prospectors into Indian areas, the conflicts in Ianomami territory culminated in the massacre of 17 Indians, including women and children, in August. In the opinion of Francisco Loebens, secretary of Cimi [Native Missionary Council], that massacre was merely the continuation of the extermination process being imposed on the Ianomamis, who are perhaps the only group in the country to show a declining population curve. Also in Roraima, the Macuxi and Ingarico tribes, which live in the Raposa/

Serra do Sol area, are being forced to coexist with the thousands of prospectors who have left Ianomami territory to settle along the rivers in the extreme northeastern part of the state.

The Raposa/Serra do Sol area is one of the two major areas which the Brazilian Government failed to demarcate this year, the reason being pressure from politicians in the North Region and from the military. The other area was the Upper Negro River area in the Amazon Region, which is also a border region. That area has been chopped up like the Ianomami area. Under the Sarney administration, as attorney Juliana Santilli of Cimi pointed out, the area had been divided into islands. Half the area that had been taken away was restored this year, but it has not been demarcated.

Demarcation the Big Battle

The Upper Negro River area was ready to be demarcated, but the Ministry of Justice felt that in order to continue the process, previous decrees would have to be revoked. The military felt that demarcation along the border presented a danger to sovereignty. Everything came to a halt.

In Bahia, the Ha-Ha-Ha Pataxo Indians in Paul-Brasil have been struggling for decades to recover their lands, which are currently occupied by ranchers. They recently invaded three of the ranches in their territory and took hostages. The Military Police moved in, broke up the operation, and removed the 800 Indians from the properties. The Indians do not have access to the river that runs through the area, and the local municipal government has stopped supplying them with water by water truck.

In southern Para, the exploitation of mahogany and other valuable species is jeopardizing vast Indian areas. The same thing is happening in Rondonia, where the leaders themselves participate in illegal deals and agreements. Besides harming the environment, that exploitation is causing a serious social problem by causing by breaking up the communities.

Situation With Indian Lands

Description	Number	Hectares
Total Indian Lands	532	90,970,570
Demarcated	266	46,239,481
To be demarcated	266	44,731,089
To be identified	135	-
Needing revision	72	-
Confirmed	198	44,049,794

Source: Directorate of Land Affairs, Funai (4 November 1993).

The above figures show that Indian lands constitute 11 percent of the national territory. Of the total number of Indian areas, 51 percent have been demarcated, and another 49 percent remain to be demarcated. Half of the lands occupied by the Indians have already been confirmed—a total of 198 compared to 532 areas.

Groups Organized

One unquestionably positive result for the Indians this year was the progress made by the leadership movement, which now includes more than 100 organizations. In Amazonas State alone, the Indians have 31 rank-and-file representative bodies, among them the Coordination Board for Indian Organizations of the Brazilian Amazon Region (COIAB) in Manaus and the Federation of Negro River Indian Organizations (FOIRN) in Sao Gabriel da Cachoeira. In the course of this year, they have held two major congresses in Brasilia and established the National Forum for the Defense of Indian Rights, which operates at Brasilia University (UnB) with the immediate objective of forcing the demarcation of Indian lands.

The union of those groups has resulted in more political debate and considerable progress in the struggle for autonomy. Many communities have started a struggle to recover their lands and even to demarcate those lands themselves. The Capaputo Indians in Alagoas have recovered areas which belonged to them traditionally and legally. The same thing has happened with the Bracui Guaranis in Rio de Janeiro and the Ha-Ha-Ha Pataxos in Bahia.

In the South, the Caingangs were able, partly by force, to demarcate their lands in an area being used for agrarian reform. The Jaguapires are continuing to confront the ranchers in an attempt to get back their lands in Mato Grosso do Sul. In Amazonas, the Culinas are also continuing to demarcate their own areas, which are in dispute between them and the owners of rubber plantations. But in addition to demarcating their land, the Culinas are evicting the rubber plantation owners in a peaceful atmosphere and also seeking ways to survive in a delimited area. The problem is that culturally, the Culinas move about a great deal, and now they need to plan ways to ensure their subsistence in a restricted territory.

Brazil Establishes Commission

In Brazil, where the Indian question is arousing the concern and interest of organizations all over the world, the International Year of the Indian could not possibly have slipped by peaceably. Although it took four months to wake up to that fact, the Brazilian Government was eager to free itself any major guilt, so in April it issued a decree establishing the Commission on the International Year of Native Peoples. The commission consisted of representatives of the Ministries of Justice (Funai), Foreign Affairs, Education and Sports, Health, and Environment.

But at the commission's first meetings, which were held at Funai headquarters, the Ministry of Foreign Affairs said firmly that it would not accept the terminology "Native Peoples" in the name of the commission: the expression should be "Native Populations." Although responsible for coordinating activities related to the

international year, the commission did not take a single step forward; it wasted hour after hour quarreling about the name.

The quarreling discouraged the other members of the commission, who were surprised at the end of August by another decree from President Itamar changing the commission's name to Commission for the International Year of the Indian.

Opinion Still Divided on Guardianship

Three proposals for the new Indian Statute were submitted to Congress: one from the Center for Indian Rights [NDI], another from Cimi, and the third also from the NDI. The special committee appointed to debate the bill submitted a substitute bill. The committee spokesman has been replaced, and now the new spokesman, Deputy Luciano Pizzato, after establishing a consensus between Funai, Cimi, and the NDI with the support of the Office of the Public Prosecutor of the Republic, will submit the results of the debates to the Indians themselves.

The most controversial issue in the new statute is unquestionably that of guardianship. The bill's authors agree that guardianship as it exists amounts to institutionalization and domination. The Indian is regarded as being relatively incompetent, since he is not a full citizen with complete rights. Funai would wind up being more of a protective force—a police body—and give up its social welfare or paternalistic activities. That is what the great majority of Indians want, although some groups such as the Caiapos, the Xavantes, and some of the Caingangs still associate the end of guardianship with the end of protection.

Revision—The Indians, nongovernmental organizations, and congressmen involved in the Indian cause in Brazil mobilized to oppose constitutional revision, feeling that the gains provided in the 1988 Constitution might be reversed by the current members of Congress. But revision was approved, and as a result, the move now is to mobilize in favor of retaining the articles dealing with the Indians. According to Deputy Marco Penaforte (PSDB [Brazilian Social Democracy Party], Ceara), chances are good that they will be retained in view of the short time remaining. The chapter on Indians and those on the environment and consumer protection have been taken off the constitutional agenda. If the articles are not retained, the next step will be to submit amendments reversing amendments aimed at destroying the rights already gained.

There are many such amendments, but some are causing more concern than others, one example being that by Deputy Nicias Ribeiro (PMDB [Brazilian Democratic Movement Party], Para) (Constitutional Amendment No. 133/92), which bans the demarcation of lands in border areas and makes demarcations subject to approval by the National Congress.

The hope of the Indian leaders and of organizations defending the environment and the minorities is that as a result of the scandals in the National Congress, constitutional revision will be postponed. It has not made much progress so far despite the efforts of the supporters of constitutional revision. In any case, the way in which it is being proposed means that only a few aspects of the Constitution will be revised.

Individual Opinions

Rubens Ricupero, minister of environment and the Legal Amazon Region: "The international year dedicated to the Indians should serve to remind us that respecting them, preserving their culture, and giving them dignified living conditions in their traditional environment means respecting ourselves."

Dinarte Madeiro, president of Funai: "The greatest gift we could have given the Indians in this international year would have been the demarcation of their lands. Unfortunately, that has not been possible because of the lack of funds. But we cannot blame President Itamar, because this situation has been dragging on for years."

Guenter Francisco Loebens, secretary of Cimi: "This year has led to closer coordination among the organizations concerned thanks to the establishment of the Forum for the Defense of Indian Rights. Those organizations have united and cast aside their particular differences in a struggle that has sought to make up for the government's ineffectiveness. The general realization today is that if the government will not do it, we will."

Waldir Tobias Macuxi, president of the Council for the Coordination of Native Peoples and Organizations of Brazil: "We Indians are all being used for propaganda purposes both in Brazil and abroad. They use us and invite us to international events, but they do not allow us to talk about the problems we face. Violence is increasing steadily, and the people committing that violence go unpunished."

Marco Penaforte, president of the Commission on Environment, Minorities, and Consumer Protection of the Chamber of Deputies: "The International Year of the Indian has not achieved its objectives in Brazil."

Juliana Santilli of the Center for Indian Rights (NDI): "There has been a lot of rhetoric, but little has been done. As far as demarcation is concerned, there has been progress, but it is far short of what should have been accomplished. Moreover, the conflicts in various areas are growing worse, and even though half of the Indian territories in Brazil have been demarcated, the Indians have not been given secure possession of their land."

Chile

Mexicans Support U.S.-Chilean Free Trade Agreement

PY2501013194 Santiago Radio Cooperativa Network in Spanish 2200 GMT 24 Jan 94

[Report by Manola Robles]

[Excerpt] Speaking at the end of a meeting that a group of Mexican legislators held with President Patricio Aylwin, Mexican Senator Carlos Seles Gutierrez said the Mexican Senate and President Carlos Salinas de Gortari support the admission of Chile into a free trade agreement with the United States.

Speaking about the possibility of a free trade agreement with the United States, Seles said:

[Begin Seles recording, in progress] ...whether through NAFTA or a bilateral agreement. This depends on Chilean national interests. Overall we held a cordial meeting, during which we discussed the progress that our bilateral ties have experienced. [end recording]

Commenting on persistent oppostion to NAFTA in Mexico, Seles said that any U.S.-Chilean free trade agreement would be based on very different terms than those of the U.S.-Mexican agreement, because 70 percent of Mexican trade is targeted at the United States.

[Begin Seles Recording] I do not believe we will experience the great impact that people are talking about, because if labor costs were the determinant factor for companies establishing themselves, then they would be establishing themselves in Haiti or in countries that pay lower salaries than ours.

I believe the NAFTA agreement will inevitably lead to new investments in Mexico. However, we Mexicans believe we will be luring greater investment from countries oustide NAFTA, that is, outside the United States and Canada. We believe we will be luring greater investment from Asian and Pacific Rim countries, mainly from Japan, and from Europe, which together with Mexicans will be able to exploit Mexican resources to reach the huge American market. [end recording] [passage omitted]

* ECLA Study Describes Income Distribution

94SM0168A Santiago LA NACION in Spanish 6 Dec 93 p 14

[Text] The wealthiest 10 percent of Chilean households accounted for 47.5 percent of the total income generated by the country in the late 1980's, although the distribution of income was somewhat less inequitable at the start of the 1990's. We can gather this from a study by the Economic Commission for Latin America and the Caribbean, ECLA.

In contrast, the study, which was made public this past weekend, notes that the poorest decile (10 percent) of the country's households received just 1.5 percent of total income; this figure remained practically the same as the 1990's began.

The rest of the income pie is divided up among the other eight deciles. From top to bottom, the ninth has 14.8 percent; the eighth 10 percent; the seventh 7.7 percent; the sixth 6 percent; the fifth 5 percent; the fourth 4 percent; the third 3.4 percent, and the second 2.3 percent.

The numbers in Greater Santiago are very similar to the nationwide totals. According to the ECLA data, the wealthiest decile of households account for 43.1 percent of the total, while the poorest decile commands 1.8 percent.

There is greater inequity, however, in rural areas. Here, the wealthiest decile of households accounts for almost 60 percent (59.8 percent) of total income, while the poorest decile accounts for just 1.1 percent.

There is hardly a surplus of studies on income distribution in Latin America. They became particularly scarce in the early 1980's when the circumstances of the poorest groups grew markedly worse, after which the recovery benefited the richest segments of the population first.

This trend was especially marked in Chile, where the military government and its technocrats chose a macroeconomic policy of belt-tightening rather than seeking to distribute more equitably the wealth generated by the country.

Very few studies were conducted on the issue.

Afterwards, under the current administration the Planning Ministry (Mideplan) undertook several studies in this regard, also covering the issue of poverty and indigence levels. They showed that although the trend towards income concentration that Chile saw in the 1980's is being reversed, there have not been major improvements in the early 1990's.

In spite of the serious efforts undertaken, which can be evaluated only after the current administration's term is over, Chile is still one of the Latin American countries with the worst income distribution according to World Bank figures.

For example, the numbers in the ECLA study show that although Mexico underwent a macroeconomic belt-tightening just as severe as Chile's or even more so, its income distribution is better than ours at present.

In Mexico, the wealthiest 10 percent of households accounted for 33.4 percent of total income in 1990, that is to say, about a third, compared to more than 45 percent in Chile. The status of the poorest households is only slightly better in Mexico than in Chile, however; they receive 2 percent of national income, compared to 1.5 percent in Chile.

UN data from 1992 show that the situation in Chile is comparable to that in Brazil and Peru, two of the countries in the region that are doing the worst in this regard, and is worse than in Argentina and Venezuela at present.

For comparison purposes we might note that in the G-7 countries (the seven most developed countries in the world) the richest 20 percent of the population accounts for just 38.7 percent of total income and the poorest 20 percent 6.8 percent.

If we use the same yardsticks in Chile, the numbers are 60.1 and 3.8 percent in 1990 (this does not take into account the subsequent mild improvement).

Another yardstick shows that the income of the wealthiest 20 percent was 12.45 times greater than the income of the poorest 20 percent in Chile in 1987, 13.19 times greater in 1990, and back down to 12.31 times greater in 1992, a positive trend.

Income Distribution in Chile

Decile	1989 (percent)	1990 (percent)
1 (poorest)	1.5	1.5
2	2.4	2.3
3	3.1	3.4
4	4.0	4.0
5	4.7	5.0
6	6.0	6.0
7	7.4	7.7
8	9.5	10.0
9	13.9	14.8
10 (richest)	47.5	45.3

Source: ECLA, households categorized by total income

* Lagos on Elections, Interparty Relations

94SM0168B Santiago LA NACION in Spanish 12 Dec 93 pp 18-19

[Interview with Socialist Party President Ricardo Lagos by Monica Gonzalez in Santiago, date not given; first paragraph is LA NACION introduction]

[Text] Thin, cat-like Ricardo Lagos radiates happiness. And not because of the election results. One could say that from the ideas brewing in his head and the movements of his hands, he has been concocting something new over the past few months and has finally found the occasion to put it in the oven. Alongside his wife, Luisa Duran, he laughs heartily in his new home, a beautiful apartment in Providencia. The evidence is clear that now is a fine time for him to take on new challenges that are not confrontational. Lagos's new undertaking will create problems for him with the officers of the PPD [Party for Democracy] and with other well-known figures from his sector; there can be no doubt that he is a difficult person. Nor can there be any doubt that we will soon find out whether he will be in the new cabinet.

[Gonzalez] The results of an election prompt individual politicians to assess how they have been affected. Do you think that the absence of your name from the ballot was a good thing?

[Lagos] The country wanted an election like this one, in which the lines were drawn very clearly in advance, inasmuch as people realized that the Coalition was the only real choice to form a government. And this is what happened.

[Gonzalez] Was it the election that the country deserved?

[Lagos] No! Chile has gone through epic, exhausting events and wanted to have a calm election like this one.

[Gonzalez] Deep down, would you have liked to see your name on the ballot?

[Lagos] Whether someone appears on the ballot depends on circumstances, and I do not think that circumstances were right for me to be on it.

[Gonzalez] What would have happened if there had not been primaries?

[Lagos] My name would have been on the ballot! That is the way it would have been, as I always said. The primary election, above and beyond its results, lent dignity to public life, which consists not of negotiation but rather ideas and principles. Everybody was asking what Lagos was demanding to withdraw. I did not ask for anything! I am proud of that! The primaries were a major source of dignity for our world.

It was an intelligent way of dealing with a dilemma and, in passing, lent tremendous legitimacy to Eduardo Frei in our world.

[Gonzalez] We also saw that the PS [Socialist Party]-PPD world is afraid of confrontation.

[Lagos] Well...Life has been tough (He laughs mischievously).

[Gonzalez] Aren't you afraid of it?

[Lagos] No. What is more, confrontation is part of the democratic system. The results of the senatorial elections, which appear elsewhere in this paper, are tremendously encouraging. Just look at how the senatorial candidates of the PDC [Christian Democrat Party] and the PR [Radical Party] did and how the PS-PPD did. They were quite even, which enables us to look to the future with optimism. Competition is not bad for us.

[Gonzalez] Isn't there a fear of losing positions, ground, power?

[Lagos] That would be very petty thinking, and I would rather think about other things...But it takes all kinds. I do think that a lot of people became set in their ways.

There were friends of the congressional world who thought that if there were two candidates or a confrontation, they would lose their seat. And just look at where we stand. I have once again traveled around Chile supporting our candidates because they are all running against the DC [Christian Democracy] or someone backed by the DC. When all is said and done, there is competition. I have always said: the party that has the presidential candidate has a very big advantage.

[Gonzalez] Has it been hard for you to play the supporting role on stage?

[Lagos] Actually...no! I have accompanied Frei and when I do so, I am number two, in the background, because that is my place. The truth is that I have not found it hard!

[Gonzalez] How are your relations with the PPD?

[Lagos] I have good relations with my friends in the rank and file, in the regions, and we have had a different way of approaching certain problems with their leaders. You are talking about a party that has come of age and that does what it feels it ought to do.

[Gonzalez] Is your heart divided between the PS and the PPD?

[Lagos] No, my heart lies firmly with a single agenda, and this is what has to be pursued, and in earnest. We have walked a long road, and the time has come, not tomorrow or the day after. These are not immediate issues....

[Gonzalez] But just a few months ago you thought that a merger of the PS and PPD was imminent.

[Lagos] Yes.

[Gonzalez] What stopped it?

[Lagos] Many still think that they can manage the little spheres that they have. The real world will teach them that when you have a battleship traveling at 30 knots and, alongside it, two small motorboats each going 10 knots, the motorboats cannot measure up to the battleship. You have to try something new and different. And I think that what happened in this election proves me right.

[Gonzalez] Is Ricardo Lagos advocating a new movement?

[Lagos] Yes.

[Gonzalez] And what will you do if you do not become a minister this time?

[Lagos] I do not think that being a minister is all there is to life. My project today is to put together a group for reflection and thought and to try and marshal the 1,800 or 2,000 professionals who took an active part in our program.

[Gonzalez] Are you talking about a movement that is independent of the parties?

[Lagos] No, with the parties. All of these professionals belong to the parties, aside from the ones who are independents. But I think that it is important to have a place for reflection and thought, for coming together, but not a research center. The idea, rather, is to make sure that this major effort can sustain and develop itself so that it does not go to waste. When we did "Chile 21," I told them that this did not end with the elections. This is why we have undertaken this project.

[Gonzalez] Max Neef has said that they will start today to build a movement that aims to become a swarm of mosquitoes. Isn't this the same thing that you are proposing?

[Lagos] Ha, ha, ha. No, these are professionals, not mosquitoes. I think that it is important to have a place where people can express their views no matter what party they belong to.

[Gonzalez] I will say it again. The movement that you are calling for sounds like something new outside the parties that exist today.

[Lagos] No, it is not outside the parties. Is the Freedom and Development Institute outside the parties or is it a channel through which the right expresses itself?

[Gonzalez] So what you want is to start the unification process from the side, not head on.

[Lagos] (Laughs) No! But if that helps, fine. But this is not my aim, because we do not want to wind up with anything organizational.

[Gonzalez] Honestly, aren't you interested in joining the administration?

[Lagos] One joins an administration when one is invited, and the person who does the inviting is the president, not the candidates. Consequently, I was not able to receive an invitation.

[Gonzalez] And what if you receive one tomorrow?

[Lagos] I would feel very honored, and at that point I would have to see what things look like, what the overall team looks like, what other people are in there. I try to think about how it was when I joined President Aylwin's cabinet. We talked about what the cabinet was going to be like, its makeup, and at one point he asked me to be justice minister. I told him that I did not think so, that if things went too well for me, he might not remain president (laughs loudly again). And if I failed...He hinted at another ministry. I asked him whether what he wanted was to have me in the cabinet. He said yes, that the country would not understand it if I were not a part of his administration and that he would have to explain that I was not in there because I did not accept the post

he offered me. In that case, Mr. President, I said, I am going to work with you. President Aylwin was very kind to me.

[Gonzalez] What you wanted was to choose a ministry, wasn't it?

[Lagos] I told him Education.

[Gonzalez] Are you going to be the new interior minister in the Frei administration?

[Lagos] I do not know. I cannot answer that. I might accept any ministry. Any one is a great honor, depending on the conditions in which it operates.

[Lagos] Do you agree with Genaro Arriagada that the next administration will lay a new groundwork?

[Lagos] If we are able to rebuild certain foundations for greater democracy, it would be very significant. I do think that we have to propose this at the outset, not at the end. The best proof has been the shortening of the presidential term. The conditions are in place for this to happen once the appointed senators disappear and more important reforms can be proposed. At the outset I would bring up the issue of reforming the electoral system. There are other, more complex and difficult issues, but at the outset at least I would focus on the electoral system. Otherwise we run the risk of holding a broad theoretical debate on the things that we ought to do.

[Gonzalez] What differences do you perceive between the alliance that will presumably govern as of March and the outgoing one?

[Lagos] First of all, the agenda is different. President Aylwin's agenda has been typical of a transition: civilian-military relations, human rights violations, containing potential social outbursts, restoring freedom in culture, education, and the intelligentsia. And lastly, incorporating Chile into the world.

Today, in contrast, as a result of Aylwin's partially successful agenda (because we have not settled the human rights issue or taken care of civilian-military relations, but we have made headway), these issues are much lower on the agenda. And there is a very strong perception that although the country has had growth, it has not benefited everyone alike. This is why the number one item on the agenda is how do we see to it that progress benefits everyone.

[Gonzalez] Not the gains of the political transition?

[Lagos] No, there is still much to be done in connection with human rights, but the next administration is going to be judged by what it does in connection with the first item on the agenda. The speeches that we all heard cannot be repeated, like the one in which Aylwin asked for forgiveness on Chile's behalf for what happened in the area of human rights. The challenges are different.

[Gonzalez] Was the cabinet's last stage as successful as the first?

[Lagos] That is an unfair question because it creates the impression that someone was very important in the cabinet, which is not true. But the final stage is different from the first. The president tried to address two or three issues, and I honestly think that he addressed them poorly. I thought that it would be difficult, if not impossible, to pass a law to resolve the problem of the missing detainees with the backing of the right. How is the right going to back anything that would satisfy us! Overall, though, the administration is leaving office with a spectacular approval rating that any other would be hard put to achieve.

[Gonzalez] How are your relations with President Aylwin?

[Lagos] Very good and with his wife Leonor too. Her understanding of her position has been exceptional.

[Gonzalez] How are your relations with Eduardo Frei?

[Lagos] They are good. I think that before the primary elections we had good relations and when they were over, they were even better. This is amusing because we ran against each other in the primaries but became closer friends. Ours is a relationship in which we speak frankly.

[Gonzalez] Do you have confidence in him as Chile's next president?

[Lagos] Yes. He joined public life out of a major ethical commitment. I have never talked with him about why he left private life and got involved in this. I think that he felt he had a job to do. When you see him giving speeches and traveling around, particularly in small towns, with few people, you see that he feels deeply motivated by what can be done. As a result, he has acquitted himself well. At this point no one thinks that he is just a name.

[Gonzalez] Did you think that at one time?

[Lagos] Honestly, when you looked at him at the beginning, you thought that it would be very unlikely that he would get where he has gotten. He had problems communicating and has made great progress. Being president obviously does not require a gift for communication, but he developed one, besides the other qualities that are required and that he possesses. He has clear ideas on basic directions and delegates a great deal.

[Gonzalez] It was easy for the ministers, you included, to show obedience to Aylwin. Will it also be easy with Frei?

[Lagos] I think so. He has a leadership that he will have to maintain from day to day. Leaderships are not permanent.

[Gonzalez] You are well aware of that, aren't you?

[Lagos] Yes (laughing). It is one thing to be president and another to remain in the ascendancy. Aylwin was able to assert his leadership in the sense that if you had a

disagreement with a minister, and I did, you went to talk with the president, and whether he agreed or disagreed with you, you knew for certain that his decision had nothing to do with whether the other minister was from the DC or not. The thought never occurred to me. He was the president, period.

[Gonzalez] Do you have doubts that it will be the same under Frei?

[Lagos] The two or three times that I have asked Frei to do something, he has done so with total independence. That is the basis for leadership.

[Gonzalez] Will the parties play a different role under the next administration?

[Lagos] That has been said often, but I find it hard to understand how it will happen. It arises from a real situation; it is a desire that I think President Frei shares. What I am not clear about is how it will come to pass. And I realize that it is different, because Aylwin's cabinet was a continuation of the Coalition. In contrast, a different relationship is going to develop as the parties conduct their talks through channels other than the ministers. We have to establish a relationship between the parties and the president that does not entail a joint government, of course.

[Gonzalez] What would you say has been the Aylwin administration's weak point?

[Lagos] The fact that the constitutional reforms should have been proposed at its outset, not its end.

[Gonzalez] And its strong point?

[Lagos] The reconciliation that it achieved and the leadership that it developed vis-a-vis all Chileans.

[Gonzalez] What has happened with Pinochet after a four-year transition?

[Gonzalez] This is Aylwin's strong point. Everyone is asking: "Where is Pinochet?" Foreigners find it hard to believe that he is no longer a factor in spite of his expressions of displeasure with the government. Pinochet can dress himself up in warrior's garb and send his soldiers out on the streets (he has yet to send out his tanks); he can do all that and more, but the only thing that he cannot do is stage a coup d'etat. The world is different. Circumstances are completely different, although legally speaking things have not changed.

[Gonzalez] Is that why his arbitrary power lost its effect when people stopped being afraid?

[Lagos] People are still a bit afraid. Many thought, for example, that Lagos may be fine but he could cause something like that...If you let yourself dream but see the risk of interrupting the present calm, then you conclude that it would be better to postpone your dreams. This is still the case in Chile. But the country senses that a job remains to be done.

[Gonzalez] Today we can see the PPD moving more towards the center to vie for voters with the PDC. Does this strategy put you off?

[Lagos] No. I have always thought that our role is to become a party that commands a majority in the country, and this means covering a broad spectrum. The thing is, though, that you do not control the center or the left just by taking positions more towards the center or left. You control them with visions of what you want the country to be. And you do not do this in day-to-day work; you do not do this on small things: if the other person disagrees, then I abstain and move more to the center. No!

[Gonzalez] Is this why you are proposing a new movement of professionals?

[Lagos] Because I think that certain visions of Chile are lacking. I was invited to a gathering in honor of Anibal Pinto on the 35th anniversary of his book *Chile: un caso de desarrollo frustrado* [*Chile: A Case of Thwarted Development*]. Chile was thwarted because late last century no one thought about the medium term. People thought that the sodium nitrate boom was going to last forever. Vargas Llosa's question "At what point did Peru mess up?" has great significance for us. A party captures the imagination of most of society, not the center, when it expresses a clear-cut agenda. This is what remains to be done.

[Gonzalez] Didn't Manfred Max-Neef occupy the space that Lagos left when he withdrew from the race?

[Lagos] No, I would have gotten more votes than Max-Neef (guffaws again). Let's be serious! Max-Neef has sought to express a different way of interpreting public life and to bring up certain issues that he said were missing.

[Gonzalez] And what would you call them?

[Lagos] I was very mindful of them, and they exist, but my way of addressing them is different. The votes that Max-Neef got are a factor that the PS and the PPD have to analyze in earnest, because they always thought that the MIDA [Allendist Leftist Democratic Movement] was the big problem. And that is not the case.

[Gonzalez] You have said that the MIDA is obsolete.

[Lagos] Of course, because I do not see the problem there. I have always said: Watch out! Every society requires a force that embodies change. And if we are not the ones, it will be someone else. And the votes that Max-Neef got came from the people who thought that the Coalition or we, as part of it, were incapable of bringing about enough change. I spoke with a lot of people who voted for Max-Neef and for the PS and PPD in the congressional elections, and that explanation sounded right to them. It shows that we have not been explicit enough in saying what we want to do.

[Gonzalez] And so?

[Lagos] We have to find a way of understanding and drawing near this very obvious group. When I say that there is a great chance of creating a movement, a party, in short, something new, it is because we have to be capable of making this effort.

Colombia

Foreign Minister Explains Recent Regional Visit

PA2401141094 Santa Fe de Bogota EL NUEVO SIGLO in Spanish 20 Jan 94 p 6

[Text] Foreign Affairs Minister Noemi Sanin de Rubio said yesterday that she did not go to the Caribbean and Central American countries to request or to count votes for President Cesar Gaviria's nomination for OAS secretary general. She added that she simply went there to listen to opinions on his candidacy. Minister Sanin pointed out that President Gaviria will take the time necessary to make a decision on the issue. She abstained from commenting on possible support from the nations of the region for his candidacy.

"I did not go there to request votes, nor to count them, but to make consultations. We enjoy broad support because our president is admired, well-liked, and his international leadership ability is recognized. Although this is not the decisive factor, President Gaviria stays calm," she said.

Sanin added that she is totally at peace with herself. She said that she is glad that she listened to opinions and is proud that she worked to ensure Colombia's chance to reach the OAS secretary generalship, which is the most important organization in the region. "Any serious country would do the same through its foreign ministry," she underscored. She added that she is very optimistic about the results of her tour, but President Gaviria has the last word.

Meanwhile, Panamanian Foreign Relations Minister Jose Raul Mulino said yesterday, upon his arrival in Colombia, that his country cannot support Gaviria's candidacy for the post of OAS secretary general because it already pledged its vote to the Costa Rican candidate. Mulino added that his government only has words of thanks and admiration for the Colombian president, whose foreign policies were praised.

Meets Panamanian Counterpart

PA2401155594 Panama City LA PRENSA in Spanish 22 Jan 94 p 14

[Text] Panamanian Foreign Minister Jose Raul Mulino made an official visit to Colombia on 19 and 20 January 1994, at the invitation of Colombian Foreign Minister Noemi Sanin de Rubio.

During his visit the foreign minister met with Colombian President Cesar Gaviria Trujillo who expressed their governments' interest in supporting and strengthening further the ties that unite our peoples and governments.

The foreign ministers examined the status of their bilateral relations and discussed regional and world issues. At the conclusion of their talks, they decided to sign the following:

Joint Declaration

They reaffirmed their government's full support for UN and OAS principles and goals as established in their charters, specifically, the respect of human rights, sovereignty, states' independence, and the fulfillment in good faith of the obligations resulting from treaties and other sources of international law. They stressed the consolidation of the democratic system and the representative institutions in Latin America as a basic principle for developing their people, and they agreed to express that elections are the best road for the sovereign expression of the people's will.

In this regard, the Colombian foreign minister highlighted the strengthening of democracy and the progress in the Panamanian electoral system. The Panamaian foreign minister highlighted the importance that the support offered by the National Registry of Colombia has had on this process.

They highlighted the importance of the OAS as the qualified organization to promote and lead continental integration and as a forum to reach a consensus on hemispheric matters in political, economic, and social fields.

They expressed their support for the initiative of the Caribbean Community presidents to create the Association of Caribbean States, and they reiterated their willingness to participate in that association, which will contribute to the economic integration process and to cooperation among the nations of the Caribbean Basin.

They analyzed the evolution of bilateral relations and expressed their commitment to broaden and strengthen them within the framework of friendship and cooperation, which historically had characterized these relations. In this regard, they highlighted the work being done by the Colombian-Panamanian Neighboring Commission, and they expressed their conviction that it will continue to promote fully the development of relations between the two nations.

In this regard, the foreign ministers agreed to hold a meeting in Panama City during the week of 24 January with various commissions on issues such as immigration, boundary markers, cooperation in judicial and aeronautic matters, and implementation of commitments made during the third Colombian-Panamanian Neighboring Commission meeting held in Panama on 19 November 1993, so agreements on those issues can be signed during the commission's fourth meeting in Medellin.

They highlighted the importance of continuing negotiations for a speedy implementation of the partial agreements signed in Cartagena on 9 July 1993. They agreed to reaffirm that the implementation of this document will create new investments and job opportunities, thereby contributing to their people's well-being.

They expressed their governments' interest in promoting interministerial meetings between the nations seeking greater rapprochement for the solution of common interest issues. In this regard, they agreed to call a meeting of the Foreign Relations, Defense, Justice, and Government Ministries of both nations within 60 days.

The foreign minister made a commitment to continue fostering the necessary steps for the creation of a binational park that will guarantee preservation of the Darien region's natural resources, as well as our people's heritage.

They agreed to promote a meeting in Panama City during the week of 24 January. During this meeting the definite text will be prepared for the agreements on normalization of immigration under irregular conditions and the treaty on the execution of jail sentences. Likewise, they agreed to hold a meeting between aeronautics authorities of both nations to identify differences and strengthen the agreements signed until now.

They agreed on the creation of a subcommission on historical heritage within the framework of the Colombian-Panamanian Neighboring Commission that initially will take charge of the studies on cultural impact on border areas. Likewise, they made a commitment, aimed at strengthening the cultural ties between both nations, to promote exchanges among their historical archives.

The Panamanian foreign minister, on behalf of his government, expressed his gratitude for the Colombian National Police's offer to give technical assistance and training to Panama's Judicial Technical Police.

At the conclusion of his visit, the foreign relations minister expressed his gratitude to the Colombian people and government for their hospitality and the courtesies offered to him and his delegation as well as for the expression of friendship he received during his visit.

[dated] Santa Fe de Bogota, 19 January 1994.

[signed] Noemi Sanin de Rubio, Colombian foreign minister

Jose Raul Mulino, Panamanian foreign minister

Military Units Reinforce Security in Uraba

PA2401212594 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 24 Jan 94

[From the "National" newscast]

[Text] Military units began traveling to Uraba today from various areas around the country to reinforce security in response to the massacre that took place there. The first unit left from Valledupar.

On orders from the Army Staff, 240 professional soldiers of the 35th Counterguerrilla Battalion traveled to the Uraba region this morning. All of the soldiers are young men between 20 and 25 years of age who are experienced in fighting subversives. For a year the troops have covered the mountains of regions where the irregulars are most active. For the last six months the soldiers have fought between the mountains of the Sierra Nevada de Santa Marta and the Perija Hills against FARC [Revolutionary Armed Forces of Colombia] and ELN [Army of National Liberation] guerrillas, who continuously intimidate the citizens and cattle ranchers of Cesar Department.

[Begin German Guillermo Perico, commander of the 35th Counterguerrilla Battalion, recording; identified by caption] We will support military operations in the rural area and do our part to attain the peace that Colombia needs so much. [end recording]

The Army's strategy in the Uraba region is to increase the presence of the public force to exercise greater control in this conflict area.

Another counterguerrilla battalion could also be sent to that banana-producing region over the next few days.

This counterguerrilla mobile unit will fight the dissident group of the EPL [Popular Liberation Army] and the FARC, who are responsible for killings in the rural areas of the Uraba region in Antioquia Department.

Church, Bottling Plant Bombed To Protest U.S. Troops

PA2501014494 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 25 Jan 94

[Report over video by Janeth Cepeda from Bucaramanga; from the "24 Hours" newscast]

[Text] According to an investigation by the intelligence division of the Santander Police Department, two medium-power explosive devices were detonated in a Mormon church and a soft drink bottling plant in Bucaramanga to protest the presence of U.S. soldiers in Colombia.

[Begin recording of Santander Police Commander Colonel Hugo Lozano, identified by caption] These explosive devices were placed by the Army of National Liberation to protest the presence of U.S. Marines in Colombian territory. [end recording]

The explosive devices, which contained 2 kg of dynamite apiece, were detonated at the same time. In the Mormon church, the damage was estimated at 7 million pesos. Seven years ago, another attack completely destroyed the church.

* Report Points to FARC-EPL 'Alliance'

Santa Fe de Bogota EL TIEMPO in Spanish 22 Dec 93 p 14A

[Text] Yesterday in Carepa the acting Defense Minister, General Ramon Emilio Gil Bermudez, officially instituted the 17th Brigade, whose jurisdiction will be Uraba, and turned over command of the brigade to Brigadier General Hermofilio Rodriguez.

Three thousand soldiers supported by a counterinsurgency brigade will try to put a stop to the bloody wave of violence in the region.

What is to guarantee its future operational success in the wake of the fissures in the peace accords among the political forces and following the assassination of several dozen activists of Hope, Peace and Liberty, and other leftist leaders? What does the Armed Forces know aside from what the parties involved in the dispute have said?

EL TIEMPO has exclusive information about a classified intelligence report on the incipient alliance between insurgents of the Armed Revolutionary Forces of Colombia (FARC) and Popular Liberation Army (EPL) dissidents against those who have demobilized.

Military officials believe they have reliable evidence that FARC guerrillas have forged their first alliance with the criminals of the "Bernardo Franco" Front, part of Francisco Caraballo's group which is a violent dissident faction of the EPL.

According to the Armed Forces' information, the insurgents of the 5th and 34th Fronts have begun to support members of the "Bernardo Franco" Front with training, supplies, loans, and arms sales.

Although they have not carried out any joint actions, it is feared that the alliance could increase the number of victims of the political control of the zone.

The classified report reveals, for example, that in one of the largest guerrilla camps in Uraba, located in the El Porroso area in Mutata municipality (Antioquia Department), there are units of the "Bernardo Franco" Front and close to 250 guerrillas of the two FARC fronts.

According to military officials, the first step toward an "alliance" was the agreement reached in July 1992 between the FARC's 5th Front and David Meza Pena, "Gonzalo."

Meza obtained the help of the FARC in a kind of guerrilla "boarding school" for the EPL's nascent dissident group.

According to the report, there are 710 armed guerrillas in Uraba.

The militias, for their part, have grown substantially in the last year. According to the report, close to 800 men belong to the FARC's Bolivarian Milita, which operates in Apartado, Chigorodo, Mutata, and Carepa Municipalities.

The two FARC Fronts and the incipient "Bernando Franco" Front are trying to divide into at least five or six fronts.

Those fronts have the mission of opening political space and, according to military officials, obtaining control of the region's largest union: Sintrainagro [Banana Worker's Union].

This is what has led to the systematic assassination of members of Hope, Peace and Liberty.

The following groups currently operate in the region.

The 5th Front

The history of the struggle for political control is not new. In fact, beginning in April 1971, the FARC secretariat decided to bring to Uraba a group of insurgents who later became the 5th Front.

Now 22 years later, that front is a kind of "parent" front in the region and has 350 combatants. Its area of influence comprises Murindo, Apartado, Chigorodo, Carepa, Turbo, Necocli, and San Pedro de Uraba Municipalities.

Up until April 1993 the front was under the command of Efrain Guzman, "El Chucho," who was transferred, following the 8th conference of the FARC, to the FARC secretariat, where he is now in charge of coordinating the bloc of the FARC's northeastern front.

The 5th Front is under the command of Noel Mata Mata. According to the classified report, it consists of a general staff, a company charged with security for the general staff, and four combat companies. The main camp is in Porroso (Mutata). According to intelligence information, the guerrillas of that front have been setting up camps and schools in Los Tocales, Rosali Arriba, Puerto Galleta, El Porroso, and Tamarindo.

The 34th Front

This front operates with 200 men organized into three "companies": Cacique Nutibara, Cacique Tone, and the Chanburay Indian Group. Each one has several companies operating in the region.

Since 1987, in view of the excessive growth of the 5th Front, the FARC secretariat decided to organize the 34th Front. But it was not until mid-1991 that the presence of this criminal group was felt in the region.

Security organizations know with certainty that this front is less belligerent than the 5th. However, it was the insurgents of the 34th who attacked a military patrol several months ago in Mutata and killed three soldiers of the Army.

Intelligent reports say that the 34th Front was exclusively in charge of the trafficking of arms and contraband along the border, as well as extorting tourist businesses in the Capurgana region.

At the same time, they add, one of the 34th Front's principal sources of financing is drug trafficking. According to Armed Forces' reports the front maintains 1,200 hectares of coca plantations. The crops in the Acandi and Zapzurro zones belong to the guerrillas.

According to military officials, the desire for the money generated by these crops has been a decisive factor in the growth of the front.

The commander of this front, also known as Comision Alberto Martinez, is Luis Uzuga Restrepo, "Isaias Trujillo," or Jose Salvador Galan Rodriguez. Trujillo maintains control over the Acandi, Unguia, Riosucio, Rioneca, and Balboa Municipalities, as well as the entire border with Panama.

The guerrillas' presence in Dabeiba, Frontino, and Uramita Municipalities leads intelligence organizations to believe that the FARC is trying to split the 34th Front and that a new one, called "Mariscal Sucre," has already begun to form.

This front, according to the report, would have the same basic mission of distracting the authorities' attention in order to continue with its drug-trafficking activities in Acandi and Zapzurro municipalities.

EPL Dissidents

They were a group of 25 men. They had two missions: to revitalize the EPL and to eliminate their former comrades who decided to lay down their arms at the beginning of 1991. Now there are 160 guerrillas. They do not call themselves the EPL, but the "Bernardo Franco" Front. And according to President Cesar Gaviria himself, they are responsible for the majority of assassinations of members of Hope, Peace, and Liberty.

This front has five combat commissions, a "support commission," and local guerrillas (similar to the the FARC Bolivarian Militias) in the municipalities under its influence.

The commanders of the commissions are David Mesa Pena, "Gonzalo"; Efren Vargas Gutierrez, "Gavilan"; Juan Alvarez Pastrana, "Rodrigo," and Orlando Vergara.

But the group's recruitment efforts continue. According to the report, its members are trying to form various "guerrilla fronts" each comprising five commissions.

Since the beginning, it has carried out its criminal activities in El Tres, El Dos, Turbo, San Vincente del Congo, Pueblo Bello, San Jose de Bulatos, and Pueblo Nuevo.

The front's influence extends to Arboletes, Necocli, Apartado, Chigorodo, and Carepa municipalities.

The military officials attribute the strengthening of the "Bernardo Franco" Front to its capacity for recruiting into its guerrilla ranks inhabitants of the region who have families there and who have a very good knowledge of the terrain in which they operate.

According to the officials, the families' houses serve as hiding places for arms and guerrillas. In addition, they obtain information about the movements of the security forces and its enemies, the members of Hope, Peace, and Liberty.

*** Polls of Voter Preferences Differ on Front Runner**

*** Pastrana Leads in Yankelovich Poll**

94SM0165A Santa Fe de Bogota EL TIEMPO in Spanish 17 Dec 93 p 8A

[Text] If the presidential elections were held today, Andres Pastrana would win with a lead of over seven points ahead of Ernesto Samper Pizano, according to a poll by Yankelovich Colombia for the Pastrana campaign. The poll was released yesterday.

However, an EL TIEMPO poll arranged with the same polling firm, which then subcontracted the poll to the CNC [National Survey Center], gives different data on who the next president might be. These figures and the explanations of each of the firms—Yankelovich and the CNC—will be published by EL TIEMPO on Sunday. Yankelovich is now working as a polling consultant to the Andres Pastrana campaign, and for that reason subcontracted EL TIEMPO's poll to the CNC.

According to the poll the Pastrana campaign released yesterday, the total number of persons polled would vote as follows:

In the first presidential round: for Andres Pastrana, 30.5 percent; for Ernesto Samper, 23.8 percent; and for Antonio Navarro, who would be third, 8.9 percent.

In the second round, Pastrana would also emerge as the winner, with a lead of almost eight points ahead of Samper. Pastrana would win 41.0 percent of the votes, with Samper getting 32.1 percent.

Over half of those polled, 56 percent, said they intend to vote. These respondents said they would vote for president as follows: in the first round, 36.6 percent for Andres Pastrana, and 29.4 percent for Samper. Antonio Navarro Wolf would be third, with 7.8 percent.

In the second round, those who said they are going to vote would vote as follows: for Andres Pastrana, 38.7 percent; for Ernesto Samper, 30.6 percent; and for Miguel Maza Marquez, 2.2 percent.

To the question, "Who do you think is going to be the next president of Colombia, independently of whom you

are going to vote for?" the 1,212 persons questioned answered: 38.7 percent said Andres Pastrana, 30.6 percent said Samper, and 2.2 percent chose Miguel Maza Marquez.

On primary elections to select the Conservative and Liberal Parties' candidates, the poll revealed the following:

In the Liberal Party, Ernesto Samper would win twice the number of votes as Humberto de la Calle, who would be second, followed by Carlos Lemos.

In the Conservative Party, Andres Pastrana would win 51 percent of the votes, with Roberto Gerlein getting 4 percent. Juan Diego Jaramillo would be third in a Conservative primary, with 3.1 percent.

How the Poll Was Conducted

The poll was conducted by Yankelovich for Andres Pastrana's campaign among 1,212 people from the lower, middle, and upper socioeconomic sectors in Bogota, Medellin, Cali, Barranquilla, Bucaramanga, Cartagena, and Santa Marta.

The surveys were conducted by telephone on 10, 11, and 12 December using a random digital method.

The results have a margin of error of 2.8 percent for the total population and 3.5 percent for those who say they intend to vote.

* Samper Leads in CNC Poll

94SM0165B Santa Fe de Bogota EL TIEMPO in Spanish 19 Dec 93 p 1B

[Text] The race for the presidency of Colombia between two candidates, Ernesto Samper and Andres Pastrana, is fairly close, according to EL TIEMPO's latest poll, conducted by the CNC [National Survey Center].

Samper would win the first and second rounds, based on responses of people who intend to vote. But of the total respondents surveyed, Pastrana would win the first round, with a tie in the second round.

In comparing these results with the EL TIEMPO poll conducted by Yankelovich in September 1993, the same trend is evident. Three months ago Pastrana was winning the first round among the total number polled by 1.2 points, while in the second round the two candidates would each win 38.3 percent of the votes.

How the Total of Poll Respondents Would Vote

In the same way, among people who said they intend to vote, which at that time was 57 percent of the total number polled, Samper led Pastrana by 0.7 percent.

Now, of the total number polled, 39 percent think Pastrana is going to be the next president, followed by Samper with 38 percent.

Those who said they are going to vote think Colombia's next president is going to be Ernesto Samper, by a three-point difference.

These results show that the race between Samper and Pastrana is a real neck-to-neck contest, as the poll has a three-percent margin of error for the total population.

The poll results show without a doubt that Andres Pastrana and Ernesto Samper would be chosen as their parties' presidential candidates, both in the Liberal primary and in a Conservative primary, if the Conservatives decided to hold one.

Voters and Nonvoters

Of the total population, over half the people polled said they intend to vote in the next elections; 64 percent are now registered.

Of this group who intend to vote in the next presidential election, 89 percent always intended to vote for the same candidate, while 9 percent had thought of voting for someone else.

In the total population, 19 percent are still undecided about whether or not they will vote.

Age and Sex

In breaking down the population by sex, age, and socioeconomic level, the results among the total number polled show that Pastrana would get more votes from women than men, while Samper would receive more votes from men than from women.

In terms of age, the majority of Pastrana's votes would come from people between 18 and 39, while the majority of Samper's votes would come from people over 25.

In terms of socioeconomic level, classified for the purposes of this poll as lower, middle, and upper, both candidates would get most of their votes from the middle class, followed by the upper class. A difference was found among voters from the lower socioeconomic group, where more people intend to vote for Samper.

If the Liberal primary were tomorrow, for which of these candidates would you vote?

Ernesto Samper	Humberto De la Calle	Carlos Lemos	David Turbay	Rodolfo Gonzalez	Luis Guillermo Sorzano	Do not know; did not answer
39%	16%	10%	3%	1%		31%

If the Conservative Party held a primary, for which of these candidates would you vote?

Andres Pastrana	Juan Diego Jaramillo	Roberto Gerlein	Rodrigo Marin	Gabriel Melo	Rodrigo Llorente	None	Do not know; did not answer
53%	4%	4%	2%	2%	1%	30%	5%

If the first presidential round were tomorrow, for whom would you vote?

Andres Pastrana	Ernesto Samper	Antonio Navarro	Miguel Maza	Enrique Parejo	Rodrigo Marin	None
31%	28%	10%	7%	4%	1%	16%

If the second round were tomorrow, for whom would you vote?

Andres Pastrana	Ernesto Samper	Neither	Do not know; did not answer
40%	40%	18%	2%

Who do you think is going to be the next president of Colombia?

Andres Pastrana	Ernesto Samper	Antonio Navarro	Miguel Maza	Others	Do not know; did not answer
39%	38%	3%	3%	2%	16%

Do you intend to vote in the next elections?

Yes	No	Undecided	Do not know; did not answer
56%	24%	19%	1%

How Those Who Intend To Vote Would Vote

Liberal Primary

Ernesto Samper	Humberto de la Calle	Carlos Lemos	David Turbay	Rodolfo Gonzalez	Guillermo Sorzano	Do not know; did not answer
45%	18%	12%	2%	1%		21%

Conservative Primary

Andres Pastrana	Juan Diego Jaramillo	Roberto Gerlein	Rodrigo Marin	Gabriel Melo	Rodrigo Llorente	None	Do not know; did not answer
58%	5%	5%	3%	2%	1%	24%	3%

First Round

Ernesto Samper	Andres Pastrana	Antonio Navarro	Miguel Maza	Enrique Parejo	Rodrigo Marin	None	Do not know; did not answer
34%	32%	11%	8%	5%	1%	8%	2%

Second Round

Ernesto Samper	Andres Pastrana	None	Do not know; did not answer
46%	41%	12%	1%

Who do you think is going to be the next president of Colombia?

Ernesto Samper	Andres Pastrana	Antonio Navarro	Miguel Maza	Others	Do not know; did not answer
43%	40%	3%	2%	2%	9%

The Government

On President Cesar Gaviria's image and performance, the poll shows that while a third of the people have a good image of the chief executive, over half approve of his job performance.

When compared with the May and September polls, these figures show that the president's ratings have improved in both aspects.

In May, 34.5 percent approved of his performance; in September, 47.1 percent, and in December, his approval rating was 53 percent.

The president's positive image rose from 15.1 percent in May to 31.2 percent in September, and to 33 percent in December.

In the latest poll, 14 percent have a poor image of the president, and 38 percent disapprove of his performance.

On the nation's situation, 59 percent describe it as average, 33 percent as bad, and 8 percent as good.

The Government's Image

How Would You Describe the Nation's Situation Today?

Bad	Good	Average
33%	8%	59%

What is your opinion of President Gaviria right now?

Bad	Good	Average	Do not know; did not answer
14%	33%	52%	2%

Do you approve of how the president is doing his job?

Approve	Disapprove	Do not know; did not answer
53%	38%	9%

How the Poll Was Conducted

EL TIEMPO hired Yankelovich of Colombia, but since it is now working for the Andres Pastrana campaign, it subcontracted the poll, with EL TIEMPO's permission, to the National Survey Center.

The telephone poll was conducted among 1,298 persons in Bogota, Medellin, Cali, Barranquilla, Bucaramanga, Cartagena, and Santa Marta, from middle, lower, and upper socioeconomic levels.

In all, 589 men and 700 women between 18 and 65 were surveyed.

The poll's margin of error is 3 percent.

Ecuador

Indigenous People Seize Energy Ministry, Threaten Oil Wells

PA2401231794 Madrid EFE in Spanish 1935 GMT 24 Jan 94

[Text] Quito, 24 Jan (EFE)—Representatives of Ecuador's indigenous people today threatened to seize oil wells in the nation's Amazon region if the government proceeds with the seventh round of bids—a bidding process for which the indigenous people have requested a 15-year moratorium.

Luis Macas, president of the Confederation of Indigenous Nationalities of Ecuador (Conaie), said the indigenous people are willing to take up the last resort, adding that the indigenous people and others residing in the Amazon region could even seize the wells "to prevent additional ecological disaster."

The Ecuadoran Government today opened the seventh round of petroleum bids for the exploration and exploitation of 3.2 million hectares in the Ecuadoran Amazon region and offshore areas. The indigenous people's representative said the petroleum companies have caused irreparable damage to the environment and to the life of the inhabitants of the Ecuadoran Amazon region.

Macas said, "The Ecuadoran Government is putting the only green area left in the Amazon region up for bid, and this is the reason why we have requested a 15-year moratorium on the bidding."

The indigenous leader added that the exploitation of petroleum has been carried out in an irrational manner and without consulting the people who are most affected—namely, the indigenous people and residents of the Ecuadoran Amazon region. The Conaie president noted that the indigenous people have filed a suit with the Human Rights Commission of the OAS, and he added that the international organization is waiting for the government to send the commission an invitation to inspect the oil drilling areas.

Ecuador's environmental and indigenous people's organizations this morning took over the Energy and Mines Ministry to pressure the government not to carry out the bidding. They also requested a meeting with President Sixto Duran-Ballen.

Further on Oil-Bidding Process

PA2501015594 Quito Voz de los Andes in Spanish 2300 GMT 24 Jan 94

[From "The Voz Andes" newscast]

[Text] Quito—The Ecuadoran Government has opened the seventh phase in the bidding process to allocate oil concessions, directed at increasing the country's crude oil stockpiles. At the same time, a group of Indians has tried to occupy the Energy Ministry to protest the

process. While Energy Minister Francisco Acosta announced during a news conference the scope of this seventh phase of the bidding, about 100 people protested the exploitation of areas within the Ecuadoran Amazon jungle, which is threatened with ecological destruction. The demonstrators belong to several Indian rights defense organizations.

A communique issued by the Confederation of Indian Nationalities of Ecuador, Conaie, charges that the new bidding phase will affect more than 2 million ecologically fragile hectares of land which is inhabited by several Indian communities and nations.

The sale of bidding specifications began today for the 10 hydrocarbon regions in the Amazon and the three located along the coastline. The process will conclude on 31 May when the bids are opened. The energy minister reported that five corporations purchased the bid specifications packages, while Exxon, Shell, Amoco, Chevron, and Mobile have confirmed their interest in participating.

Acosta said he believes 20 or 30 internationally renowned corporations will participate. Those oil companies which finally do sign concession contracts will lay 7,000 km of piping and drill about 15 exploratory wells, for a total estimated investment of $150 million. Acosta said each bid application for the Amazon sites costs $100,000, while the coastal site bid applications cost $50,000. The proceeds will be used for training Ecuadoran Petroleum Enterprise and Energy Ministry personnel. Although Acosta foresees a successful conclusion to this round, the Indians are demanding a 15-year moratorium.

Luis Macas, Conaie president, has said they demand international mediation to properly investigate the social and environmental impact of the oil industry's activities. The Indians have said the problem created by a class action suit filed by the Cofane Indians in the United States—who charge that Texaco Oil has destroyed an area of the Amazon Jungle—has set a precedent, preventing new incursions into these ecologically fragile areas. There are no options to replace oil revenues at this time, Acosta has said, so we must not be irresponsible enough not to explore the oil regions. He has added that they must continue with the seventh phase, as the country's future depends on it.

Petroleum is the main source of income for Ecuador, which has a $200,000,000 deficit. This agricultural country is being sucked of every drop of its oil.

Peru

Commentary Analyzes Armed Forces Unrest

PY2001135494 Lima LA REPUBLICA in Spanish 9 Jan 94 Sunday Supplement p 3

[Commentary by J.M.C.: "No Way Out"]

[Text] The recent promotion of Armed Forces officers close to General [Nicolas de Bari] Hermoza and Vladimiro Montesinos is proof of what everyone has been saying for the past few weeks: President Fujimori is being threatened by the military leadership and the SIN [National Intelligence Service]. The political autonomy Fujimori enjoyed until just before the referendum has been curtailed.

The truth is that Gen. Hermoza has positioned himself in the government and together with Vladimiro Montesinos, presidential adviser for intelligence affairs, is making decisions about the country's Armed Forces from the top of the pyramid. The two have decided that the three general commanders—from the Army (Hermoza himself), the Navy, and Air Force—cannot be removed from their posts. The police director also was included in this decision.

This decision has deeply irritated officers in each military branch because it bars the normal development of officers' professional careers and their promotion to the highest military positions. It is well known that within military circles there is a principle called "the cart principle" by which those in higher positions drag behind them those they trust. It seems that the commanders now want this cart to remain still without changing wheels annually, as occurred in the past.

The generals who were approaching the post of commander or chief of the various military institutions today are considered dangerous. For this reason, they have been assigned duties abroad or placed in posts called "bones" because they are not operational or trusted administrative posts (defense minister, CCFFAA [Joint Command of the Armed Forces], and CAEM [Advanced Military Studies Center]).

"The manipulation" still continues within the Army because Gen. Hermoza's command had been planning to replace some important division generals by sending them into retirement, among them General Valdivia (currently a military attache in far-away Ukraine). This high-ranking officer has been strongly criticized for his performance as military-political chief in Ayacucho, but he enjoys sound prestige within the Army, especially in the promotion of Vladimiro Montesinos, whom he instructed.

The plan to send more than 10 division generals into retirement had to be ruled out, at least until the middle of the year, because it might have caused too many problems within the Army. The situation of General Robles has caused sufficient problems. According to military sources, Robles might report to the nation another irregular military operation in the central region. We should not forget that Robles was the Army's third-in-command before they tried to get rid of him by sending him abroad; in his post he handled a large volume of secret information.

Another hot issue is the case of General Salinas Sedo, who is the best candidate according to many people. It

will be possible to close ranks behind him in case of a possible attempt to reelect President Fujimori. Many people have demanded his release through presidential pardon, but so far there are no indications this will happen. The risk is that if he stays in jail, an adverse process might emerge in the middle of the elections because political parties might decide to abstain on the grounds that elections are not free because a citizen who might be the winner is imprisoned.

This is how things are in our Army. There is still another issue: Ten division generals have just been promoted, and irregularities have continued because among the promoted generals is Guido Guevara Guerra, who is a brigade general in the Army Legal Service and may not—by law—be promoted to division general, because his rank has been adjusted. However, now he is a division general.

Do you know why? Guevara was designated president of the Military Court Supreme Council because he is the top-ranking general (division general), and considering that the other council members will never reach that rank, he will always be (at least until July 1995) the council president. Last week he announced a life imprisonment penalty for four Chileans on "high treason" charges. Can a Chilean commit "high treason" against the fatherland, that is, against Peru, which is not his fatherland? We will comment on this penalty later.

Officials Defend New Municipal Tax Plan

PA2401133094 Lima Global de Television Network in Spanish 0100 GMT 22 Jan 94

[From the "Global TV News" newscast]

[Text] Council of Ministers President Alfonso Bustamante and Economy and Finance Minister Jorge Camet have defended before the Budget Commission the tax plan that is being questioned by the country's mayors. They added that the government will not back down from continuing the controversial municipal tax plan.

The AMPE [Association of Peruvian Municipalities] representatives also attended the meeting with the Budget Commission and reiterated that Legislative Decree No. 776 is unconstitutional and violates municipal laws because it reduces local government revenues substantially. However, although Bustamante and Camet invited the mayors to a meeting on 17 January, they showed no willingness to reform the plan. On the contrary, they justified it.

[Begin Bustamante recording] As mentioned many times before, by implementing this law, we seek the following: first, to simplify and modernize the municipal tax system; second, to guarantee, in one way or another, taxpayer stability regarding rates and taxes; third, it has a very clear decentralization effect; and fourth, it has a very clear distribution effect. [end recording]

Meanwhile, Camet said that although Congress is fully empowered to amend the decree, the government believes it is excellent because it increases municipal revenues, thus hinting that there will be no looking back.

[Begin recording] [Camet] This is an excellent reform to the municipal tax system based, as the prime minister said, on the redistribution of revenues collected by the central government to the districts. This redistribution will give more to those who have less.

[Unidentified reporter] Mr. Minister, please allow me. There is a lot of controversy because the government claims that there will be greater revenues while municipalities claim that there will be less. You handle figures; could you tell us exactly how many millions [currency not specified] were channeled to district and provincial municipalities under the previous law and how many millions they will receive from now on?

[Camet] Tax collection, as one of your fellow journalists said, will increase to 610 million [currency not specified]. Thus, all district municipalities will receive more in 1994 than they received in 1993. [end recording]

'Saturday Focus' Discusses Economic Measures

PA2401134394

[Editorial Report] Lima Radio Programas del Peru Network in Spanish at 1410 GMT on 22 January broadcasts a 55-minute "Saturday Focus" program roundtable discussion hosted by Denis Vargas Marin and including Alfonso Bustamante, president of the Council of Ministers; Agusto Alvarez, director of the APOYO publishing house; Humberto Campodonico, economist and San Marcos University professor, and Arturo Salazar.

Vargas starts the discussion by mentioning that last week was marked by the conflicting situation in the economic field between mayors and the government due to a decree granting the government control over municipal taxes. Vargas says: "Many of the nation's mayors believe this is an unconstitutional measure." Vargas asks what was the true spirit of this measure, and "how will the economy be administered in 1994, how much longer must we wait for economic reactivation, and the so longed for sustained growth?"

Bustamante replies that there was no political criteria behind the government decree on municipal taxes although it is a political decision. Bustamante says: "To fight against poverty and for social investment, resources are required. Resources come from basically two sources: local taxes and foreign loans." Bustamante adds that tax collection is very important. This year, Bustamante notes, the government expects to collect larger amounts of taxes, and to redistribute these in a better fashion, noting that previously, of 100 million soles, 30 million went to the Lima municipality while the other 70 percent was for the rest of Peru. Bustamante indicates that the government wants the poorer districts to secure more funds.

Campodonico asks Minister Bustamante why the municipalities' revenues were taken away. To this Bustamante replies: "We are talking about municipal funds and in any case it is a large amount of money. What are we seeking? Obviously with this we want more to be distributed to the poor. From what resources are we going to get this? Well, this has to come from the resources collected locally." Bustamante then explains the amounts collected and assigned by the government to the municipalities. Salazar questions the government decision to take away municipal revenues as in the framework of the law, revenues for the central government are generated by general sales tax.

Salazar continues by noting that in Article 5 of the municipal law, it is set out that 2 percent of the general sales tax will be for municipalities. Salazar asks: "Is this not a technical incoherency? To this Bustamante replies that this is very easy to explain. The General Value Tax is 16 percent and the Tax on Business Holdings is 2 percent; added together these are the general sales tax."

Vargas says that to conclude with the municipalities issue, it had been recently announced that the government was going "to compensate the municipalities," from Treasury resources. "Is this not taking a step back?" Vargas asks. To this Bustamante replies that the government cannot halt the financing of important scheduled public projects, therefore the projects must be analyzed before making a decision.

Alvarez mentions to Bustamante that the question most people on the street want answered is: "When are salaries going to be raised?" What would you reply to these people, Alvarez asks. Bustamante replies that salary increases go hand in hand with an improved economy, the quality of the services rendered, and on the capacity to compete. As mentioned before, Bustamante tells Alvarez, in the private sector this is much clearer, as it must compete in the market. In the public sector, Bustamante notes, matters are much more complex, because despite government efforts "we still have a very large payroll to meet." Vargas insists on asking: "Will there be a salary increase that is not the minimum wage this year?" Bustamante replies that a 30 percent salary increase for public workers has been earmarked in the budget.

Campodonico then asks why the government conveys the image that foreign investment is coming in and that we are paying less than what is coming in while the numbers indicate exactly the opposite? To this Bustamante replies to Campodonico that he does not have the complete picture; while great efforts are being made to foster exports, privatization is a first step for foreign investment and implementing social programs requires greater revenues for the treasury. Bustamante indicates that investment needs to grow and that Peru does not have $5 billion in savings for investment; therefore it must look for foreign investment.

Vargas asks why beer is taxed 30 percent while whisky is taxed less. "What has been the spirit of this law?" Vargas asks. Bustamante replies that the this is a selective tax on the consumer although he notes in his opinion it is a bit high.

To conclude Alvarez says that in real terms the budget has been increased but not salaries. Alvarez asks: "Why is something not done to avoid the continuous loss of purchasing power for salaries? Bustamante replies that in the private sector it is absurd to pay low salaries if these can be raised.

Vargas asks Bustamante if he would accept being the next economy minister to which he replies that he certainly would not.

EXPRESO: Watson's Attitude 'Paternalistic'

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[Text] Lima, 23 Jan (EFE)—The attitude of Alexander Watson—U.S. under secretary of state for Inter-American Affairs—during his recent visit to Peru was considered paternalistic in an editorial published today by EXPRESO, a Lima daily.

In a critical tone, the editorial noted that the U.S. high-ranking government official who was in Lima this week on a three-day official visit "came and took notes—as if he had a superior right—as to whether we have 'progressed' in democracy, justice administration, and human rights."

The daily considers that Watson gave the impression of encouraging those who object to "the very existence of (President Alberto Fujimori's) government and the new Constitution," making reference to the meeting the under secretary of state held with opposition political sectors.

"It is not a way to create a climate of democratic consensus that will close the gap opened on 5 April. It is not enough to call for a dialogue," EXPRESO comments in reference to the 5 April 1992 coup staged by Fujimori in which he dissolved Congress and stripped the Judicial Branch, while he assumed total power.

EXPRESO—which supports the government—adds that Watson admitted that in Peru progress had been made with respect to human rights and democracy. Nevertheless, he had said "there is still much more to do."

Ω Notes From Media; Opinion Polls on Fujimori, Country's Future

94P20218A

[Editorial Report]

Poll on Fujimori, Government Policy

A November poll shows the Peruvian Government as a whole enjoying a 54-percent approval rate, while President Fujimori's performance gets a 67-percent approval rate. (The poll was taken a few weeks after the 31

October referendum on the new Constitution, a referendum which was widely interpreted as a vote for or against Fujimori. The Constitution barely passed, receiving a 52-percent approval rate.) The November figures represent a 13-percent drop for the government but only a 3-percent drop for the president from the preceding month's Apoyo poll. The report of the poll of metropolitan Lima residents, aged 18 or above, of "all socio-economic levels," as published in the 29 November issue of the Apoyo-owned weekly SEMANA ECONOMICA, did not indicate the number of respondents, date, or margin of error.

A full 76 percent of those interviewed approve of the government's anti-terrorism policy (an insignificant drop of 1 percent from Apoyo's October poll, according to the published figures). Approval of the privatization program was also unchanged since October, registering an insignificant drop from 57 to 56 percent. The government's economic policy suffered a decline in popularity, with only 42 percent (down 5 percent from October) voicing approval.

Along with the slight drop in approval ratings for President Fujimori and the more marked drop for the Peruvian Government, approval for the political opposition was essentially unchanged from November (slightly increasing from 29 to 31).

Terrorism, Unemployment as National Problems

In a poll published in the November 1993 issue of the Apoyo-owned monthly PERU ECONOMICO interviewees identified terrorism, unemployment, and "food" [alimentacion] as the major national concerns, in descending order. The poll was conducted by Apoyo between 8 and 11 October 1993 with 500 residents of metropolitan Lima spanning the socio-economic strata.

Some 41 percent of those interviewed chose terrorism as the most important national problem, no significant change from the same period in 1992, but lower than in the years 1988-1991.

PERU ECONOMICO notes that unemployment, second among national concerns with 36 percent, was of higher concern to the top socio-economic group (43 percent) than to those of moderate means and the poor. In the poorest group, unemployment and terrorism were given equal weight as major national problems.

The third most pressing national problem, identified by 27 percent of the interviewees, was the general category of "food." This concern has fluctuated widely in the last two years, affecting 7 percent more respondents in 1992, but 9 percent fewer the previous year.

Of other problems perceived as national, drug trafficking was mentioned by almost twice as many respondents in October (19 percent) as had done so in April (10 percent). Drug abuse concerned 19 percent of respondents, with the poor much more likely to express concern (24 percent) than the wealthy (5 percent). On the other hand, worries about inflation sharply declined from 62 percent in 1990, to 31 in 1991, 24 in 1992, and a mere 14 percent in October 1993. It now ranks ninth in the Apoyo poll among the nation's major problems. Other identified national problems were poverty (23 percent), "inadequate education" (16 percent), cost of living (16 percent), and human rights violations (14 percent).

Expectations Rising

An Apoyo poll published in the December issue of PERU ECONOMICO indicates more widespread optimism about Peru's future. Asked whether the country was going in the right or wrong direction, 65 percent of the respondents said it was going in the right direction, an increase of 9 percent since a similar poll in July 1992. Just 22 percent said in the wrong direction, a drop of 4 percent, while 13 percent were undecided. Similarly, 53 percent said the country is "progressing," a sharp increase from just 5 percent in August 1990, while only 11 percent declared it to be "declining," down from 54 percent in the same period. While 32 percent described the country as "stagnating," this marked a decline from 53 percent in June 1991 and 42 percent in March 1993.

Fifty-three percent said Peru would be a better place to live in 20 years (compared to 40 percent in 1991). Forty-one percent said they had positive expectations for their personal lives over the next year (compared to 17 percent in June 1990), and 44 percent had positive expectations for the country over the same period (compared with 39 percent in September 1990, but only 16 percent in June 1991, a month after the Shining Path's "armed sitdown" day, accompanied by many assassinations and other attacks, as well as the temporary takeover of a number of radio stations).

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